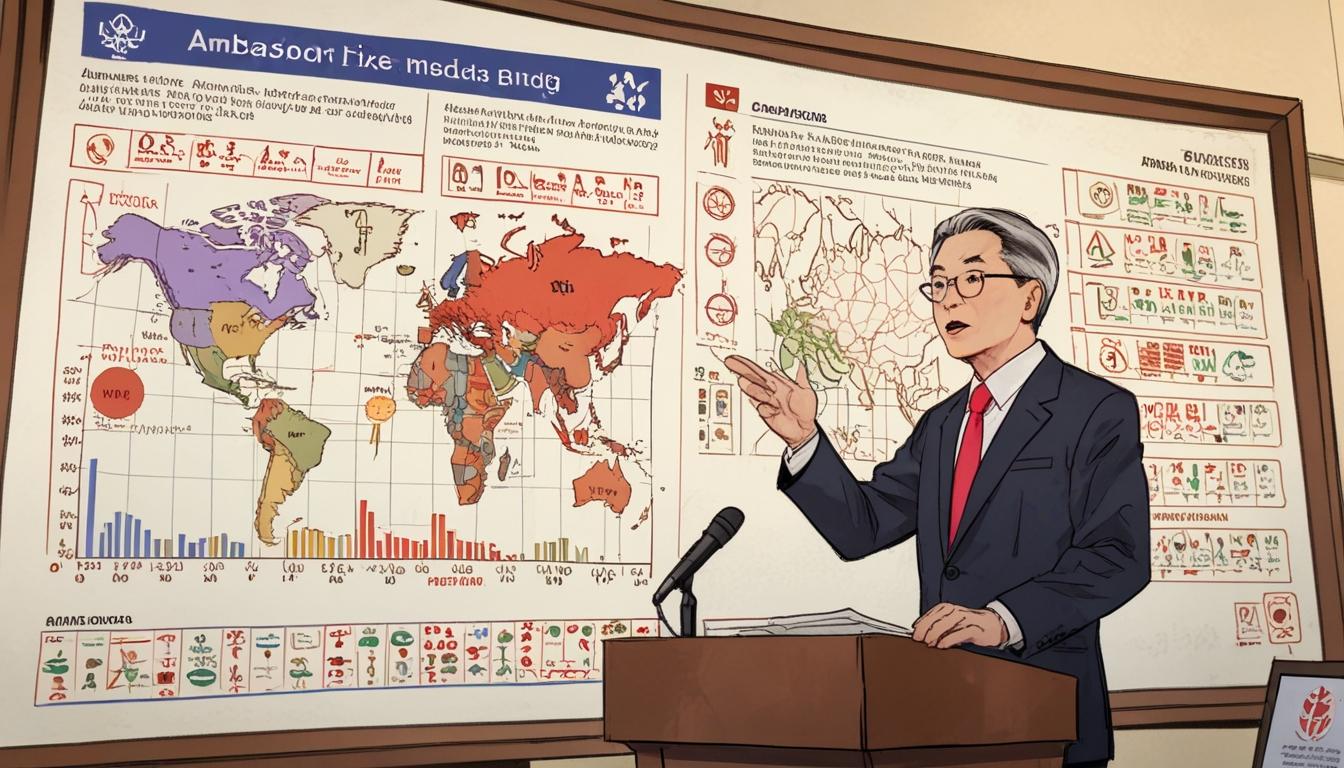
# China warns US over tariff tensions, invoking lessons from the Great Depression



In a significant address in Washington on 19 April, China's ambassador to the United States, Xie Feng, issued a cautionary message regarding the escalating tariff tensions between the two countries. Speaking at an event celebrating Traditional Chinese Medicine (TCM), Ambassador Xie warned that the current US tariffs on Chinese goods risk repeating the economic errors of the early 20th century, specifically drawing parallels with the Smoot-Hawley Tariff Act of 1930, widely blamed for exacerbating the Great Depression.

Ambassador Xie’s speech came amid an intensifying US-China trade dispute, marked by a series of tariff hikes that have raised the overall duties on Chinese imports to approximately 145%. Unlike other countries granted a temporary 90-day reprieve, China has been excluded from such exemptions, leading to a retaliatory response from Beijing. China has imposed tariffs totalling 125% on numerous American products and has restricted the export of critical minerals essential for high-tech manufacturing, such as rare earth elements used in semiconductors, batteries, and electric vehicle production. These restrictions signal China’s willingness to employ all available economic means in response to what it perceives as aggressive US trade policies.

In his remarks, Ambassador Xie underscored the lessons from history, noting: “I believe many of you are familiar with how the Smoot-Hawley Tariff Act ultimately escalated the Great Depression.” The 1930 act, designed to protect US agricultural and manufacturing sectors by raising tariffs on over 20,000 imported goods, triggered retaliatory measures from other nations, leading to a sharp contraction in global trade and deepening the worldwide economic crisis.

The ambassador’s comparison served not only as a historical reference but also as a pointed critique of the current US administration’s approach to trade. Ambassador Xie cautioned that adopting isolationist economic policies could destabilise the deeply interconnected global economy in much the same way that protectionist measures did nearly a century ago.

Integrating elements of traditional Chinese philosophy and medicine into his address, Ambassador Xie advocated for balance and harmony in international relations. He remarked, “You can’t just treat a headache by just focusing on the head, or foot pain by only targeting the feet,” emphasising a holistic view. Furthermore, he remarked, “And you certainly shouldn’t prescribe medicine to others when you’re the one who’s sick,” a metaphor suggesting that domestic economic challenges in the US, including inflation and supply chain disruptions, should not be externalised as the fault of foreign actors like China.

The ambassador referenced the Taoist principle of yin and yang to advocate for cooperation rather than confrontation between the world’s two largest economies, stating, “We must support each other’s success instead of falling into a lose-lose scenario.”

At the core of his message was a clear stance that China does not desire a trade war but is prepared to respond to protect its interests. His comments are consistent with Beijing’s historical position that tariffs impair not only bilateral relations but also wider global economic stability. While favouring dialogue over conflict, Ambassador Xie warned that China would not remain passive if provoked.

This address comes during a delicate phase in US-China relations. Despite escalating tariffs, President Donald Trump recently described ongoing discussions with Chinese officials as “nice conversations” and “really very good,” illustrating a contrast between diplomatic rhetoric and the increasing economic friction on the ground.

The repercussions of this trade conflict extend far beyond bilateral concerns. The United States and China collectively represent over a third of global GDP and are central to numerous international supply chains, spanning sectors such as electronics, agriculture, and technology. Escalating tariffs and reinforcing trade barriers threaten to disrupt these systems, with potential negative impacts on multinational corporations and developing economies worldwide.

Economic analysts have expressed concern that a prolonged tariff war could hamper global economic recovery, contribute to higher consumer prices, and weaken investor confidence. Such risks come at a vulnerable time globally, with many countries still recovering from the impacts of the COVID-19 pandemic and facing further uncertainty due to geopolitical challenges in regions like Eastern Europe and the Middle East.

Ambassador Xie’s remarks highlight the complex interplay between economic strategy, geopolitical considerations, and the influence of historical experience. His combination of ancient Chinese wisdom with contemporary economic realities serves as a detailed alert about the potential dangers of protectionism and the importance of seeking a balanced and mutually respectful economic relationship.

As the United States deliberates its next steps regarding trade policy with China, Ambassador Xie’s address underscores the significance of historical lessons and current diplomatic efforts in shaping the future of one of the most consequential economic relationships in the world.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://us.china-embassy.gov.cn/eng/dshd/202404/t20240422_11285725.htm> - This article mentions Ambassador Xie Feng's speech at the Harvard Kennedy School, highlighting the importance of peaceful coexistence and cooperation between the U.S. and China. Although it does not specifically address tariff tensions, it emphasizes China's desire for stable international relations.
* <https://www.ncuscr.org/news/page/3/> - This page mentions Ambassador Xie Feng but does not specifically address the economic tensions or tariff issues between the U.S. and China. However, it highlights his engagement with U.S. institutions.
* <https://us.china-embassy.gov.cn/eng./dshd/202401/t20240110_11220841.htm> - Ambassador Xie Feng is quoted here as urging both countries to focus on common interests and enhance dialogue and cooperation, which aligns with his stance on avoiding trade wars and promoting mutual respect.
* <https://www.china-briefing.com/news/us-china-relations-in-the-biden-era-a-timeline/> - This timeline provides context on recent U.S.-China relations, including efforts by both sides to engage in constructive dialogue. It does not specifically mention Ambassador Xie’s speech on tariffs but shows ongoing diplomatic interactions.
* <https://english.alarabiya.net/News/world/2025/04/20/china-s-us-envoy-urges-end-to-trade-war-but-warns-beijing-ready-to-fight> - This news article mentions Ambassador Xie Feng’s call for an end to the trade war, emphasizing China’s readiness to defend its interests if necessary. It supports the narrative of his cautious yet firm stance on trade relations.