



RCAS Commentary

Success in Busan: U.S.-China Relationship Stabilizes

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About RCAS

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RCAS aims to become a leading research institute and think tank on Asian affairs in the Indo-Pacific region. To date, RCAS has conducted research programs on maritime disputes in the South China Sea (SCS), China's relations with the Indo-Pacific states, the Belt and Road Initiative (BRI), terrorism/counterterrorism in the Afg-Pak region, and so on. It is committed to promoting maritime cooperation, regional integration, and regional peace in the Indo-Pacific region at large.

RCAS has published nearly ten books in Chinese and English and more than 20 papers in SSCI/SCOPUS/CSSCI-indexed journals. Recent English publications include *Populism, Nationalism and South China Sea Dispute: Chinese and Southeast Asian Perspectives* (Singapore: Springer Nature, 2022); *Pakistan's Foreign Policy: Contemporary Developments and Dynamics* (London: Routledge, 2022); *Crossing the Himalayas: Buddhist Ties, Regional Integration and Great-Power Rivalry* (Singapore: Springer Nature, 2021); *The Reshaping of China-Southeast Asia Relations in Light of the COVID-19 Pandemic* (Singapore: Springer Nature, 2021); *Territorial Disputes, The Role of Leaders and The Impact of Quad: A Triangular Explanation of China-India Border Escalations* (2023); *Managing the South China Sea Dispute: Multilateral and Bilateral Approaches* (2022); *China-Pakistan Cooperation on Afghanistan: Assessing Key Interests and Implementing Strategies* (2022); *Hedging Against the Dragon: Myanmar's Tangled Relations with China since 1988* (2021); and *China-Pakistan Conventional Arms Trade: An Appraisal of Supplier's and Recipient's Motives* (2020).

RCAS has also published hundreds of articles, and its researchers have been interviewed in various local and international media outlets, such as *The Diplomat* in the United States, *East Asian Forum (EAF)* in Australia, *Bangkok Post* in Thailand, *Jakarta Post* in Indonesia, *Lian He Zao Bao*, *Think China* in Singapore, *South China Morning Post (SCMP)*, *China-US Focus* in Hong Kong, *CGTN*, *Global Times*, *World Affairs* in China. RCAS researchers have actively participated in international conferences or study visits in the United States, India, Pakistan, Sri Lanka, Nepal, Myanmar, Cambodia, and other places.

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U.S. President Donald Trump visited Asia recently, an event that was both exciting and feared by the world. His “America first” diplomacy, which is personal and transactional in nature, was on full display in a continuation of the drama and unreliability that have defined his overall foreign policy. It is not conducive to multilateralism.



▲ Chinese President Xi Jinping meets with U.S. President Donald Trump in Busan, South Korea, Oct. 30, 2025. (Shen Hong).

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The most remarkable aspect of the trip came during Trump’s stop in Busan, South Korea, where he met with President Xi Jinping of China—remarkable not only because the meeting alleviated months of economic pressure but also because the interaction of the two leaders brought some much-needed stability to the U.S.-China relationship and positive international implications.

The Busan meeting was the first personal encounter between Trump and Xi since 2019. After years of tariffs, sanctions and suspicions, both sides finally engaged head-to-head on an economic battlefield. The United States had imposed high tariffs on Chinese goods, and Beijing had tightened restrictions on the export of valuable minerals, including rare earth elements essential in modern technology, including military equipment.

The two leaders agreed to de-escalating tensions. Trump was willing to lower specific tariffs, and Xi was willing to lift certain bans on the export of rare earths and return to buying large amounts American agricultural products, oil and gas. It was not a general breakthrough but rather a compromise made on their mutual understanding that confrontation was not sustainable.

By the time the meeting concluded, Trump was visibly euphoric. He referred to the talks as “amazing” and even rated it on a 1 to 10 scale as a 12. His exuberance contrasted oddly with Beijing’s reserved optimism. State media in China said the meeting was positive and seemed to move relations back toward a state of normalcy. In other words, China was willing to engage in mutually beneficial cooperation if doing so supported the country’s long-term goal of national revival.

The U.S. claims its foreign policy has never been ideologically driven. China says it is not involved in any fight but will not compromise its core interests in pursuit of short-term peace—those interests being sovereignty, security and development. At the same time, China sees that a total breakdown of relations with Washington would jeopardize the stability of the entire globe, as well as its own economic modernization. Leaders in Beijing understand that the interdependence of the U.S. and China is profound, yet they claim it is decoupled.

Not only would destabilization harm Chinese exports, but it would also pose a threat to China’s connection with significant technologies and markets, which are essential for building a high-quality country.

Thus, the Busan negotiation can be supported within the broader framework articulated by Xi Jinping, who has sought to create a community with a shared future for mankind. Stable relations with Washington can buy time for China to reform its domestic economy, consolidate regional alliances and achieve technological independence.

By contrast, immediacy is the dominant characteristic of Trump’s diplomacy. His dealings, as opposed to dogmas, demonstrate that he is of the view that U.S. power must yield measurable results within a short period. The tactic may have strategic benefits, but it’s unstable.

Neither enemies nor allies are in a position to know America's long-term intentions. Asian political leaders were well-aware of this when Trump visited them. From Tokyo to Manila, capitals welcomed Trump warmly with flattery while also serving their own interests. He has scorned multilateral forums, such as the East Asia Summit and ASEAN meetings, which has allowed individual countries to negotiate directly, in most cases, to secure concessions.

But Trump has challenged bilateralism in his dealings with China. However confident and brash he might be, he can't put much economic pressure on Beijing. The manufacturers, consumers and farmers of the United States have had to bear the costs of tariffs. Inflationary pressure and slowing markets in foreign countries have necessitated a review of the confrontation strategy. China has actually been a significant casualty of the trade war. Its strategic composure has paid off.

The more Washington identifies with partners such as Japan, South Korea and the Philippines in its Indo-Pacific policy, the more it is perceived as trying to contain China's rise. Meanwhile, the growing economic and diplomatic prominence of China, whether through the Belt and Road Initiative or its primacy in new international organizations such as BRICS, is an indication that it is no longer content to be a junior participant in the world system.

The Busan meeting can be viewed more as a hiatus rather than a point of transition. It allows for breathing space to have a discussion. But the threat of confrontation is still alive. Busan is a political truce more than it is an achievement of peace. It's a recognition of boundaries. Collaboration will contribute to global economic confidence.

The result of a positive relationship between the two major economies is the stabilization of markets, restoration of investment flows and the ability of markets to address multilateral issues of global concern, such as climate change, health and global debt. Conversely, negative ripple effects are felt when there is a conflict. Supply chains are disrupted, and smaller economies are forced to make decisions that result in shutdowns or even the freezing of international institutions.

Such instability that has been seen during the past few years. Trade wars and bans on technology have been particularly severe. Thus, even the slightest improvement in relations after Busan will be felt far beyond the Pacific. Busan demonstrates that the two superpowers, despite being at odds with one another, realize the importance of living together. To China, development and modernity are of the highest significance, whereas the U.S. is concerned with economic supremacy and global leadership. The question is how these goals can be balanced.

The Chinese *modus operandi* was summed up by President Xi in Busan: Reforms are sweeping the globe like a tidal wave. China and the United States are expected to be friends and partners.

The message of Busan is not one of dominance but of balancing—the idea that great power diplomacy can bring stability in uncertain times. This is not merely about the national interests of China and the United States but what brings peace to the world and allows it to thrive.

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About Author



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