

Will Europe Side With China or the US?

Europe, You Can't Sit on the Sidelines Anymore

By Victor Davis Hanson

I'd like to talk today about the role of China, the United States, and the European Union, or just [Europe in general](#), in the context of these tariffs and the so-called trade wars.



Right now, [President Donald Trump](#) has given a 90-day reprieve from high tariffs. I think that 10% tariffs are still in existence. And they are negotiating with a number of European countries and particularly, Asian

dynamic economies, such as South Korea, Taiwan, and Japan. In addition to that, they are targeting China with tit-for-tat tariffs. And we are maybe on the brink—nobody wants it, but we might be on the brink of a trade war, which we've addressed in earlier articles.

But here's my point. What is the attitude of Europe? Roughly, China has a \$1 trillion deficit with the world. We have about a \$1 trillion deficit in trade with the world. But here's the ratios. About a third of our deficit is with China, which makes up a third of their surplus. In addition to that, Europe makes up about a third of their surplus.

So, China has called on Europe to join forces with it to prevent all of the retaliatory tariffs that the United States has threatened Europe, which has a \$200 billion surplus with us, and China, which has a nearly high \$300 billion, maybe

even \$400 billion, who knows?

It's kind of crazy, isn't it, that these illiberal apparatchiks [in China](#) would think that a Western democracy would want to join them against the United States?

I don't think that's gonna happen. But the European Left is very angry at the Trump administration.

So, Choice One might be, "Well, we don't like the Chinese and we are an ally of the Americans, who subsidize our defense, but we detest the Trump administration. So maybe, (wink and nod) we'll either be quiet or hope China wins that trade war and the United States, under the Trump administration, backs off all tariffs."

That would be a big mistake given their vulnerabilities they have with the United States vis-a-vis security.

The second attitude might be the Europeans will just say, "We'll lay low. We won't say much at all. We'll kind of drag out our tariff negotiations with the Trump administration. And we'll let the Chinese and the United States battle it out. And if Trump should win and he lowers the amount of trade with China, maybe that will be an opening for us to replace China as the United States chief importer."

That is something that I don't think will happen.

The third scenario is what I would suggest for the Europeans. They should say the following: "Despite our disagreements with the Trump administration, the United States is an ally. And we know that we have been as victimized by Chinese mercantilism, high tariffs, cheating on patents, copyrights, dumping, financial money manipulation—all the things the United States complains about, we do too. In fact, we as Europeans in a whole have about the same deficit with China as the United States does. So, we are kindred spirits. So, what we will do is, even though we have disagreements on our surplus with the

United States and their efforts to reduce it, we will ally with the United States.”

And that would represent about two-thirds of China’s total [trade action](#) or monetary value. And especially, if Japan and our allies in [South Korea](#), Taiwan would join, then China would find out that about 85% of its trade is in a block. That is, they are united. And they have common complaints against China. And China would not be able to say to the United States, “We’re going to cut deals with Vietnam and Japan and Taiwan and South Korea and the EU and leave you out in the cold.”

Instead, the Europeans and, to a lesser extent, the Asian powerhouses would join the United States and say, “You know what? We’ve been quiet. We’re afraid of China. They’re bullies. But now that you’ve stood up, we’re embolden ourselves to air the same complaints as you are and hope that you win. And maybe a byproduct of reduced trade with China from the United States will open a door. So, even though we might have to lower our tariffs, there will be more opportunity in the American market with a less prominent Chinese trade profile that we can then be welcomed in as a kindred ally.”

So, Europe has two or three choices in this proposed Chinese-American trade standoff. Nobody wants a trade war with anybody. No one wants it with China. But this is long overdue. And Europe has to decide what course they’re going to take. And for everybody’s sake, let’s hope they choose wisely.

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