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The Great Decoupling: A Case Study of US Foreign Policy Toward China and the Paradox of Strategic Realignment (2020–2025)

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ABSTRACT

This research studies the strategic realignment in the U.S. and China from 2020 to 2025, pointing on the contradiction of the Great Decoupling between two of the most powerful states in the world. Through worldwide trade links, source chains, and assets runs, the United States and China remain to be intensely linked despite their progressively acute monetary decoupling, technical competition, and armed hostility. Both states and the greater worldwide power system expect severe problems as a consequence of this paradox, which syndicates geopolitical competition with monetary interdependence. The research employs a qualitative case study methodology, applying primary and secondary sources to assess how both powers' policies and strategies have altered in response to struggles in them. Significant suppositions demonstrate that the trade clash in the United States and China, technological disengagement in fields like 5G and artificial intelligence (AI), and the growing armed rivalry of the Indo-Pacific region have backed to the growing strains. There are still diplomatic ways advancing predominantly in fields like climate variation and worldwide health. The research discovers the tactical inconsistency where the two states, as they are rival in their domains which are significant to their world power, must cooperate in subjects of mutual interest. The outcomes designate that the worldwide monetary is still improbable to become fully decoupled because of the interconnection in the two monitories, but the existing tactical competition in the U.S. and China is redefining the upcoming of global power, as well as the method of global trade.

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1. Introduction

The present rivalry in the United States and China has verified to be one of the most noticeable geopolitical clashes of the 21st century with widespread penalties to the worldwide politics, finances, and safety. China has been on a intense tendency to become a superpower of the world in recent years hostile the supremacy of the United States in the regional and worldwide arena, which has long been dominant. The U.S. China struggle has been intensifying predominantly between 2020 and 2025, owing to a blend of monetary, technological, and safety issues. This time, which is connected with a U.S. China trade war, technological disengagement, and armed competition, is a critical phase in bilateral relationships between two states and can reflect the trends in the entire world. The Great Decoupling, or ongoing process of disengagement in the U.S. and Chinese monetary, has become a representation of the bigger tactical rearrangement going in the universe except U.S. and China. This is considered by the rivalry in monetary models, technical growth, as well as the trying to attain armed supremacy and is sustained by ideological discrepancy: the devotion to liberal consensus and free-market capitalism in the U.S. and the authoritarianism and nationally controlled capitalism in China (Fajgelbaum, 2021).

The central idea of this argument is the notion of tactical shift that could be expressed as a change in the balance of power and strategies amongst the two authorities due to the growing geopolitical competition in them. The U.S. has responded to China flexing its armed power in the indo-pacific and declaring its monetary and technological impact in the globe by engaging a blend of restraint strategies and monetary approvals that have been intended at restricting the rise of China (Council on Foreign Relation, 2026). The trade war which was introduced by the previous Head of state, Donald Trump in 2018 was directed at the Chinese form of trade specifically on matters linked to rational property theft, forced technology transferences and partial trade practices. The conflict strengthened and within a small time, billions of dollars of imports were matter to tariffs, and this stimulated a reactive action by China. Though Joe Biden government has strained to tone down the hostility determined pomposity of the U.S-China affiliation, it has been very hardline on the subjects regarding armed build-up and technical theft by China; a feature that has improved the geopolitical strain (Cheng, 2021).

The contention has taken on a new aspect as China's technology ability has developed, predominantly in emerging fields like 5G telecommunications, artificial intelligence (AI), and quantum computing. This has affected the stress for transference from outmoded monetary tussle to technological supremacy. The trade war was the primary phase of a bigger methodological disengagement in which the United States used export limitations and fines to limit China's contact to innovative technologies like semiconductors and artificial intelligence. This technological arms rivalry, which was mostly unseen in the Cold War, highpoints the important alteration in the balance of power in the worldwide, where technological modernization and monetary interdependence are now the central instrument of impact (Cheng, 2021). However, the development of armed control in China, comprising nuclear weapons and naval armies in the South China Sea, offerings a direct risk to the hegemony of the United States, expressly within the Indo-Pacific region. The age structures improved violence from China in global politics, which has caused in a conflict in the United States and China (Blinken, 2026).

1.1. Theoretical Framework

Power Transition Theory was proposed by the Political scientist A.F.K. Organski. This theory works as a tool to examine changes in global power dynamics, mostly when a growing power starts to get the position of a superior power. It clarifies the reason about why United States observes China's fast monetary, technological, and armed development as a contest to its worldwide dominance. The theory highlights that when a growing power nears parity with a central state, the possibility of clash rises. It offers an agenda to know why economic decoupling, technological rivalry, and armed balancing arise among a central and growing power. Eventually, the theory structures strategic realignments as an ordinary progression when global supremacy changes.

1.2. Research Questions

1. What are the main forces behind the United States and China's monetary parting, and how have they altered since 2020?
2. What was the challenges that influenced U.S. Foreign policy towards China, exclusively under the Trump and Biden governments?
3. How the Great Disengagement does influence regional security and global trade from a geopolitical and economic perspective?

1.3 Rationale of the Study

The competition between the United States and China is altering the balance of power in the globe and has significant implications for army, systematic, and monetary links. The competition between the two states has strengthened as a consequence of their tactical decoupling, predominantly in the extents of trade, technology, and armed might. Considering how the Great Disengagement influenced governance of worldwide, security, and the paths of global relationships be subject to on this study. This research tries to highlight the complexities of this tactical realignment and the existing conflicts present in the decoupling progression by examining the monetary, technological, and security features of this contention.

1.3. Research Methodology

1.3.1. Qualitative Case Approach

The study is of qualitative sort using a case study method which is appropriate to use in this study, expressly when being cast-off for discovering the process of a multifaceted process in certainty. The planned repositioning of the U.S.-China affiliation is multifaceted and can't be enumerated due to its radical, monetary, tech and armed aspects. The process of the case study delivers the prospect to study this affiliation comprehensively, so that the scholar can get an intellect of the distinctions and difficulty of the Great Decoupling. This methodology practices precise case studies, involving the U.S.-China trade war, technologies, and rivalry, to compromise an additional inclusive representation of how the three components of monetary disengagement, technical competition, and geopolitical rivalry are linked.

The case study method was preferred in this study to highpoint the interrelationship of issues in a real domain condition. The study inspects precise happenings of U.S.-China collaboration, comprising trade struggles, technical limitations, and armed strains in the region, to shack light on the general procedure of disengagement and the planned rebalancing that is taking place in the two nations.

1.3.2. Data Collection: Primary & Secondary Sources

For pledge of comprehensive hold of the issues, data for this study will be collected from both primary and secondary sources. Primary information on official policies, defense plans, and economic ties between the United States and China will be provided by the U.S. Department of Defense (2023), the U.S. Trade Representative, and other pertinent U.S. and Chinese government agencies. These sources will provide direct insights into both countries' official rhetoric and strategic goal. To evaluate the rhetoric adjoining the opposition and how it influences policy decisions, public speeches, interviews, and statements by influential individuals, including Chinese President Xi Jinping, U.S. Presidents Donald Trump and Joe Biden, and high-level diplomats from both sides, will be analyzed. To understand the theoretical frameworks, and to provide context to the findings, peer-reviewed articles on U.S.-China relations, the trade war and technological decoupling, and geopolitical competition will be used. This will include the assistances of scholars such as John Mearsheimer, Dani Rodrik and David Lampton, to name a few. Reports from organizations such as the Brookings Institution, Carnegie Endowment for International Peace and the Council on Foreign Relations offer information about the economic, military and diplomatic ramifications of U.S.-China relations. In order to present latest information on the current situation of U.S.-China relations, the materials hereunder include news articles from The New York Times, The Washington Post and The Financial Times.

1.3.3. Analytical Methods: Thematic & Comparative Analysis

The study practices two primary analytical methods:

- Thematic Analysis
- Comparative Analysis

1. Thematic Analysis:

Thematic analysis will be cooperating to identify and observe key matters from the data composed. This technique will permit for the abstraction of related subjects relevant to financial disengagement, technical rivalry, and armed conflict in U.S.-China relations. This examination will look for recurrent subjects such as nationwide safety, employment laws, technical guidance, and consular strains, making networks between diverse kinds of rivalry and the wider consequences for international governance. This will enable to recognize the central distresses that give understanding about the strategic shift among the U.S. and China.

2. Comparative Analysis:

A comparative approach will be help to contrast diverse stages in the U.S.-China affiliation like the Trump government against the Biden government, or the before 2020 stage of their affiliation against the after 2020 disengagement stage. This contrast will enable to cognize how U.S. strategies have grown over time in reaction to China's rising impact, and how these two countries have altered to the shifting geopolitical landscape. This will also contrast U.S. reaction to China's growth with reaction from other international supremacies, like the European Union and India, to understand the U.S.-China competition in a wider international forum.

2. Literature Review

Researchers like Sutter (2017) indicate that the repression of China throughout the Cold War and the commitment policies that shadowed China's opening under Deng Xiaoping in the late 20th century encompass the account of U.S.-China associations. Conceptual conflict dominated the two states' relations in the first half of the 20th century. Because China sided with communist activities globally during the Cold War, the United States saw China as a Soviet threat. These Cold War changing aspects dominated initial study on U.S.-China links, with the U.S. had restricted straight collaboration with China throughout this time due of doubts over communist development.

However, Kurlantzick (2016) explains that since the completion of the Cold War, U.S.-China affairs have altered as the monetary alterations of Deng Xiaoping have caused in a huge development of China's monetary. Since China's concurrence to the World Trade Organization (WTO) in 2001, the U.S. has been a crucial companion in China's incorporation into the global monetary, expressly its monetary incorporation with the rest of the globe. This was an age of monetary interlinking, when China established into the globe's industrial center and when the U.S. had massive trade excesses.

Scholars such as Feigenbaum and Kregel (2018) pointed out the United States and China started to compete over various security challenges, including in Taiwan and the South China Sea, interpreted by many as an effort by China to assert regional hegemony. The U.S.-China trade imbalances also expanded in this period, resulting in greater pressure from the U.S. to China to revalue the currency and promote more market-based reforms. This led to a rift between the two that would come to a head during the trade war instituted by the Trump administration.

Hollweck (2014) explains a foremost aspect in the current contention in the U.S. and China is China's development as a technical giant. The most apparent illustration of this is China's manufacturization of 5G networks, its domination in the manufacturing of smartphones, and the fast expansion of artificial intelligence (AI) technologies, which have put it in uninterrupted struggle with the United States in the tech field. These subjects, expressly China's enforced technology transferences, market limitations, and technological burglary, led to the beginning of the U.S.-China trade war in 2018 in President Donald Trump administration.

As stated by Bown (2020) the Technological decoupling became one of the key terms introduced into the discussion about US-China relations following the outbreak of the trade war. Zenglein (2021), technological decoupling may affect global supply chains because of China's efforts at developing its technology to replace the U.S. technology used before. Although several authors suggest that economic decoupling may prove challenging to realize, since China and the United States are economically dependent on each other, others believe that the process of strategic rivalry in high technology will create two separate ecosystems for China and the U.S.

Johnston (2013) the problem of military decoupling in the context of US-China relations has arisen against the backdrop of increasing military might of China, especially in Indo-Pacific Region. The country has spent billions of dollars on weapons development, including hypersonic missiles and technologies of cyber warfare to compete with American military superiority.

On observing by Power Transition Theory, strategic realignment arises when the leading authority regulates its strategies to sustain its position, while the growing power continues to increase its power. The theory includes the conception of strategic hedging, where country continue both assistance and rivalry to cope ambiguity. For example, despite monetary dependence on each other, the United State and China involve in both challenge and discriminatory assistance. The theory proposes that these shifts are multifaceted, connecting global organizations and alliances, which can either ease or worsen strains founded on how each side responses.

2.1. Identifying Gaps in Existing Research

While substantial academic works on the matter of the United State and China competition, various breaches continue to persist in the present collected information. The first of these gaps lies in the disproportionate attention that scholars have paid to the economic dimensions of decoupling, including the various trade wars that have characterized this relationship, while not enough attention has been devoted to the military and geopolitical aspects of the same. In other words, further research is required to understand how the rivalry between the two great powers impacts global security, particularly in Asia and the Indo-Pacific region.

Secondly, while much research has been conducted on the economic dimension of U.S.-China rivalry, social and cultural consequences of the same have not yet attracted much scholarly attention, particularly from the perspective of its impact on public perceptions in each of the two countries. Lastly, there is a gap regarding the understanding of how third party actors operate in the U.S.-China rivalry, especially in regions such as Africa, Latin America, and Southeast Asia.

3. Historical Background

3.1. Evolution of U.S.-China Relations

The United States and China have had a vigorous and complex affiliation that has developed in numerous ways, beginning with diplomatic inaccessibility and leading to the most significant international relations of the 2st century. During the 20th century, the differences in ideas, the Cold War and the communist revolt of China subjected the relationships. The U.S. professed China in expressions of the restraint in the Cold War, expressly, when China set their sides with the Soviet Union and helped communist movements crosswise the world (Zhang, 2021). Though, it began to alter in the early 1970s with Richard Nixon, The Head of State when he visited to China in 1972, and diplomatic affiliations were standardized. It signified a hinge in the U.S.-China relationships, considered by increasing trade, ethnic collaboration, and armed cooperation (Cheng, 2021).

China became share of the international economy in the 1980s and 1990s with the developments of Deng Xiaoping, which opened China to the globe, and ensued in great monetary progress. The U.S was a big advocate of the monetary liberalization of China wanting that by becoming a part of the global monetary, China would hold political alteration and open up to worldwide institutions. But this was not attained without strain. Another momentous was the 1999 entrance of China into the World Trade Organization (WTO), but the U.S. began to facade trade instability with the increasing hustle of the Chinese monetary growth (Fajgelbaum, 2021).

3.2. Economic and Political Ties (Pre-2020)

The U.S.-China monetary affiliation was built on interdependence and growing restlessness in the pre-trade war era that broke out in 2018. The U.S. had been complaining about biased trade practices of China, like robbery of rational property, compelling technology transfer, and sponsoring Chinese corporations (Mearsheimer, 2014). The U.S industrialists predominantly those in the technology division were bothered about access to the market and the aggregate dominance by China in the high tech manufacturing fields. The Chinese monetary system that involved a market-oriented alteration, but reserved national control, was generally irreconcilable with the liberal market system upheld by the U.S. (U.S. Department of Defense, 2023).

But the political regime of China under the Chinese Communist Party (CCP) maintained tight control of political freedoms, which always led to confrontation with the US and other western nations. While the United States is economically reliant on on China, the conflicting ideas of the authoritarian system of China and democratic United States produced a diplomatic struggle on these subjects as independence of speech and expression, human rights in Tibet and self-governance in Hong Kong (Office of U.S. Trade Representative, 2024). The United States start to outlook China as not only a monetary rival, but a geopolitical risk, predominantly in the Indo-Pacific region, as China raised in powered army, technologically, and under Xi Jinping, The Head of State of China.

3.3. Key Events leading the Great Decoupling

A new segment in relationships between the two states was marked by the start of the U.S.-China trade war in 2018. The trade war was affirmed by Donald Trump's direction quoting biased monetary strategies in China which comprised the spontaneous allocation of technology and rational assets robbery (Fajgelbaum, 2021). The U.S. economy suffered under these tariffs, but the political meaning behind it was quite obvious. The U.S. was unwilling to allow a rising China to use its economic strength unfairly against USA’s businesses and workers. The current Biden supervision seeks cooperation and diplomatic engagement with China but still follows the previous administration's policies regarding the trade competition (Collier, 1993).

During that phase, technological disengagement became further apparent. It can be clarified by China's progressions in technologies like 5G networks, artificial intelligence and quantum computing. The growth of technological authorities in China distressed both the U.S. and Europe resulting in new strategies being enacted. Namely, the American government enforced limitations on Chinese companies such as Huawei, restraining their contact to semiconductor chips made in the United States due to general security matter (Blinken, 2026).

4. Analysis of U.S. Foreign Policy towards China (2020-2025)

4.1. Policy Shifts under Trump Administration

With its strong stance and stress on monetary nationalism, the Trump government's method to U.S.-China dealings signified a vital change from former U.S. foreign policy plans. Restoring American monetary supremacy was Donald Trump's chief foreign policy purpose, expressly through determining the trade shortage that had long overwhelmed bilateral associations between the United States and China. A crucial module of the Trump government's China policy, the trade war underway in 2018 and symbolized a violent struggle to obstruct China's technical progression and monetary influence (Hass, 2025).

Trump's foreign policy in China has also been militarized and strategic competitive, especially in the Indo Pacific area. His administration pursued a containment policy in its efforts to bolster military ties with Japan, South Korea, and India and to expand the U.S. military presence. Trump's focus on "military deterrence" in the South China Sea and Taiwan Strait was in reaction to China's military assertiveness (Chivvis, 2026).

Even with these rigid strategies, Trump's government had consular links with China on several matters other than trade, such as environmental change. Fundamental development was made in January 2020 with the ratification of the Phase One trade contract, but the deep-seated clashes over rational property privileges, cyber security, and China's armed desires were left unsettled. Trump's policy was founded on planned rivalry, but it also presented the reputation of assistance in certain phases to avoid a monetary downfall or conflict (Collier, 1993).

4.2. Biden Administration's Approach: Multilateralism and Strategic Competition

As he predicted office in 2021, President Joe Biden took control at a time when the United States' relations with China had been moderately disjointed because of the trade war, the process of disengagement from technical and sensitive armed tensions. One of Biden's crucial strategies on taking control was to restoration associations and reconstruct fragmented families among countries in a multilateral world that was unfavorably affected by the activities of the preceding government. This include contacting with European and Asian associates with respects to how China was inducing trade associations in the globe. Biden's strategy for the Indo-Pacific region, where there is a rising risks modeled by China, includes an amplified and emphasis on multilateral commitment from the Quad and AUKUS alignments (U.S. Department of Defense, 2023). This shows how Biden's strategy is both same and diverse from that of Donald Trump.

As far as trade is alarmed, Biden has been very well-founded on China's monetary practices, but has called on associates to help confrontation of matters of involuntary labor, a trade instability, and IP privileges to misuses. At the center of Biden's drive to counter China's supremacy in perilous technologies have emphasis on worldwide source chains, such as semiconductors and perilous resources. Biden's strategy has been to guarantee the United States upholds its technical lead, expressly in funding in revolution and constructing its national manufacturing base (David, 2023).

4.3. Technological and Economical Rivalry: 5G, Tech Companies & Trade Wars

One of the most imperative aspects of the considered competition between the United States and China is their technical competition. The United States has taken unadorned steps to limit China's contact to technicalities like artificial intelligence (AI), quantum computing, and 5G telecommunications as a result of China's struggles to dictate these industries. The United States has taken act to avoid Chinese tech behemoths like Huawei and ZTE from gaining perilous technicalities from American corporations under both the Trump and Biden governments. This has flashed a global debate about whether these restrictions create monetary isolationism or are necessary on the basis of nationwide security (Khandelwal, 2021).

The U.S.-China tech war has also seen the imposition of sanctions on key Chinese companies and individuals, including those in the field of artificial intelligence and cyber security, for alleged data privacy violations, compromising national security, and technology theft. While the Biden administration's strategy on technology decoupling has been aimed at bolstering the U.S. technology industry, both via government subsidies and by investing in research and development, it has also been about developing a coalition of partners to counter China's technological advances. The Biden administration has also been looking to strengthen U.S. supply chains on critical technology especially semiconductors to lessen reliance on China (Collier, 1993).

Technically, the contention is knotted to monetary clashes, exclusively in the semiconductor section where worldwide rivalry for chip development is already getting intense. China's determination for international supremacy in semiconductors has flashed apprehension in the U.S. and Europe on doubts that the state's supremacy in the manufacturing field is a risk to their monetary security. The U.S. has taken steps to limitize China's contact to progressive chips and industrial apparatus and has increased national share in chip manufacturing, comprising the CHIPS Act (Fajgelbaum, 2021).

4.4. Security Concerns: U.S. Military Presence and China Countering

The militaristic conflict between the US and China has risen considerably in the past decade with significant attention paid to the Indo-Pacific region. The military modernization of China alongside its navy's presence in the South China Sea has raised alarm among the US given that it has been enjoying military supremacy in the region for a very long time. With the increasing military capacity in the form of weapons advancement by China such as the use of hypersonic and anti-ship missiles, the US has been forced to re-strategize militarily and make alliances in the region (U.S. Department of Defense, 2022). Military facilities of the US across various countries in the region such as Japan, South Korea, and Philippines are being fortified to ensure that there are no alterations to the balance of power in the region.

The question of Taiwan continues to be the most significant point of conflict in the US-China military competition. For several years now, the US has supported Taiwan in military terms with arms and military training despite the threats issued by China towards the island state in an attempt to gain control and reunify with it. With the buildup of China's military on Taiwan as well as the deployment of US naval ships in the region, a bigger military clash appears inevitable due to Taiwan. In fact, the US has always maintained a policy of strategic ambiguity regarding Taiwan (Hollweck, 2014).

4.5. Diplomatic Efforts vs. Strategic Competition

Another contradiction of United State and China relationships is the strain between diplomatic commitment and strategic rivalry. Despite the growing armed and monetary competition, the U.S. and China remain to diplomatically involve on matters of shared interest, mainly climate change, global health, and trade negotiations. For instance, the Biden government has approved a more diplomatic position on the U.S.-China relations by highlighting multilateralism and addressing worldwide rivalry by global associations (U.S. Department of Commerce, 2022). In November 2021, Biden and Xi held a virtual conference in which they conferred climate change, pandemic reaction and trade amongst other matters, signing a change to collaboration on mutual interests in the U.S. and China.

The diplomatic pomposity, though, is very different from the actuality of strategic action. On the diplomatic front, China's pomposity highlights its collaboration on international control, but its assertiveness in the South China Sea, Taiwan, and regional security has been a main foundation of strain with the U.S. In distinction, the diplomatic strategy of the United States is founded on the promise to the advertising of social rights, democracy and rule of law, which is the very conflicting of China's authoritarian model. The conceptual differences often fallouts in a diplomatic deadlock, where neither side is eager on cooperation on the core matters that support their foreign strategies (Hass, 2025).

4.6. Managing the Great Decoupling: Risks and Benefits

The Great Decoupling in the United State and China is one of the greatest complicated and significant alterations in international relationships. The monetary divide in the two authorities is a process of strategic rivalry and monetary compulsion, with both threats and advantages. On the one hand, the decoupling permits the U.S. to defend its technical governance, safeguard national security and counter China's growing geopolitical influence. In the United States, efforts to deny Chinese firms access to key technologies such as 5G equipment and semiconductors are framed as national security imperatives. Moreover, the U.S. wants to protect its intellectual property and minimize the technological development by China that could threaten its dominance in the global marketplace (Fajgelbaum, 2021).

Coupling is not without its risks, however. International trade and the economic interdependence between the U.S. and China mean that any disruption of trade or in the supply chain could have worldwide consequences. The United States has a difficult time cutting off ties without significant economic consequences since China plays a large role in the production of goods around the world, especially in electronics, automobiles and consumer goods. The financial sector is also highly interconnected: China continues to invest heavily in the U.S. stock and bond markets and global firms depend on the Chinese consumer market. This deglobalization will increase the prices businesses and consumers must pay, slow economic expansion and threaten to blow up the global trade system that has been a key component of international economic cooperation since WWII (Hollweck, 2014).

What adds to this process are the geopolitical ramifications of the Great Decoupling? As the U.S. and China compete economically and militarily, other nations will have to join one camp or another or live with the new competitive global environment (Chivvis, 2026).

4.7. Economic Consequences: Global Trade and Supply Chain

The Great Decoupling in the United State and China has reflect monetary suggestions, mainly in regards to global trade and supply chains. Both countries, The U.S. and China are significant to the global economy; China is the developed center of the globe and the United States is the major customer of the world. The implications of the economic decoupling between both countries and the world's supply chains are not to be taken lightly. The U.S.-China trade war has resulted in a reconfiguration of trade patterns around the world, with businesses seeking to diversify their supply chains to minimize their dependence on a single country (Fajgelbaum, 2021)

Already, as countries and businesses deal with the new realities, this decoupling has led to the fragmentation of global trade networks. To reduce the risk from trade tariffs and to meet concerns over national security of products manufactured in China, for instance, U.S. firms have moved their production away from China toward other Southeast Asian nations such as Vietnam and Thailand. The emergence of alternative supply chains and the shifting of production centers indicate a larger trend towards de-risking manufacturing across the globe as companies try to diversify their supply chain (Collier, 1993).

The technological decoupling between the U.S. and China is also reshaping the global tech landscape, in addition to disrupting trade flows. The restrictions imposed by the U.S. government on Chinese companies, especially the telecommunications sector (such as the prohibition of Huawei), have partitioned the global tech market into two spheres of influence, one led by the U.S. and its allies and the other by China and its network of partners (David, 2023).

4.8. Security Implications: The Risk of Escalation and Military Tensions

The security matters from the Great Decoupling are massive too. As the United State and China understand each other more as competitors, armed strains in the Indo-Pacific area are increasing. The South China Sea and Taiwan Strait are key distress spots in US-China relationship. China is risking out their land in ways that challenge both global rules and United States security interests in the region. In reaction, the US has inclined up its armed existence, functioning self-determination of navigation ops and strengthening relations with allies such as Japan, India, and Australia (U.S. Department of Commerce, 2022).

The militarization of the area has initiated a lot of uneasiness, especially regarding Taiwan. China gets Taiwan as a main interest and has advised it might use power to unify with the island. The US is solidly overdue Taiwan's defense, as assured in the Taiwan Relations Act. Plus, US Congress keeps green-lighting arms trades to Taiwan. This provision, however, increases the risks and could lead to major confusions (Offive of U.S. Trade Representative, 2024). Those mistakes might even flash a much bigger clash. Adding to these strains is the technological weapons competition, mostly in cyber security and super-advanced arms. As both pour money into new conflicting technology, there's an increasing risk of offensive regional calm (U.S. Department of Defense, 2023).

The risk of an armed growth is not restricted to the Indo-Pacific. The U.S. and China are also challenging globe for effect in other parts of the globe, especially in Africa and Latin America, where both states are growing their armed corporations (Pompeo, 2020).

4.9. Applications of Theory

Applying Power Transition Theory to United State and China relationship from 2020 to 2025 enables to describe the Great Decoupling. The United State enforced trade limitations, control on technology export, and create armed alliances (such as the Quad) to sustain its supremacy. In the same time, China continued technological independence and extended their influence all over the globe through projects like BRI (Belt & Road Initiatives). This theory clarifies the reason behind why both states are held in strategic rivalry, yet cannot completely split economic relations because of dependence on each other in trade and supply chains.

Moreover, the theory exposes the reason why engagement continues in fields of global matters, like climate change or health. Both states get strategic ambiguity by hedging balancing struggle with selective cooperation. The theory also enables to enlighten how alliances and global authority controlled organizations become fields of struggle, as each power continue to make global standards by their own selves. Power Transition Theory highlights the current strategic shift, showing how both rivalry and assistance will pursue to make United State and China relationships in next years.

5. Conclusion

This study has concentrated on the strategic realignment of the U.S. and China, specially the Great Decoupling period 2020-2025. The 'trade war,' which was started by Trump and extended by Biden, has had significant implications on global trade and trade flows. Both nations are striving to limit economic relations in areas such as technology and industry. It is neither easy nor certain, as both countries have deep integration in various areas, such as consumer markets and flows of investments, among others. In Technological Competition, one of the most prominent facets of U.S.-China strategic competition has been the technological race. The U.S. and China are competing to be the top dogs in 5G technology, artificial intelligence (AI) and semiconductors, with China's Huawei in particular being denied access to key technologies. In these respects, the U.S. and China are still working together, but the fast technological advances in China are a threat to the U.S.'s technological supremacy. In terms of military competition, the Indo Pacific continues to be the key battleground between the United States and China. Beijing is bolstering its military strength in the South China Sea, where it has laid claim to the territory, and in Taiwan, while the U.S. is strengthening military alliances with other countries. In terms of Taiwan, there is continuously the probability of the acceleration of armed power, predominantly in regard to the armed power of U.S. and China. The Geopolitical ramifications of The U.S.-China competition is not a two-way street, but has implications beyond the U.S.-China context. Both have made an effort to make their presence felt in regional and multilateral organizations such as the European Union and the World Trade Organization and the United Nations. In recent years, China's Belt and Road Initiative (BRI) has started to challenge the U.S.-led global governance and global economic cooperation, which has significant influence on the global trade and regional stability.

This entails taking a more active part in regional security agreements and international trade discussions. China must exercise caution, nevertheless, as undermining recognized organizations could effect in additional separation and diplomatic complications.

6. Policy Recommendations

In light of the findings, numerous strategy recommendations can be implemented for the United States to direct the complications of U.S.-China relationships:

1. The U.S. has to keep challenging with China purposefully while also engaging diplomatically on large worldwide subjects like climate change and wellbeing. Strategy makers should hold strained regions, such as Taiwan and the South China Sea, over mutual discussions, carrying in regional networks and worldwide groups.
2. Solidification of Alliances and Corporations: The U.S. should keep going to fortify its armed associations in the Indo-Pacific and Europe, guaranteeing a joint front in contradiction of the Chinese impact. It is also necessity to expand its trading relations and not be too reliant on on China for necessary things and facilities.
3. Mutual Trade Contracts: The U.S. should put effort for improvement and making stronger mutual institutions like the World Trade Organization (WTO) to guarantee that worldwide trade is impartial and rules-based. Moreover, the current free trade contract with China, the U.S. should also pursue regional trade contracts that does not include China to support its monetary effect in the Asia-Pacific, such as the CPTPP (Comprehensive and Progressive Agreement for Trans-Pacific Partnership)
4. Establishment of Regional Safety Agendas: China should distillate on strengthening regional security agendas that highlight partnership and nonviolent growth. China can reduce the opportunity of armed acceleration and encourage regional constancy by providing security guarantees to nearby nations like Taiwan.
5. Commitment with Third country: For the establishment of a broader and multipolar realm order, China should attempt to create coalitions with third countries, especially in Africa, Latin America, and Southeast Asia. This will lessen the possibility of geopolitical disintegration and allay worries about China's expanding might.

7. Limitations of the Study

As with all study, there are few margins to this research. Primarily, they centered on U.S.-China associations could be missed the point, in the sense that it might be missed the third-party states that are very adjacent to this competition, like those in the Indo-Pacific & Africa. The countries may also have their own strategic motivations and reactions to the U.S.-China competition, which may not have been reflected in this study. Secondly, civic declarations and administrative forms are helpful and imperative properties for considerate laws, but they are radical properties and carry political partialities and tactics messaging. It is imperative that this study censoriously occupies with these foundations to evade the overreliance on authorized perspectives. Finally, U.S.-China relations are undergoing constant change, and one of the main reasons for this is that China's policies, negotiations, and military capabilities are constantly in flux.

Nevertheless, these cautions, the qualitative case study method is suitable to consider the nature of the planned relocation in the U.S.-China dealings, expressly in relations of the primary procedures of how these two authorities are going to determine the upcoming global strategies and monetary domination.

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