IP Trade War

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Intellectual property (IP) issues have played an important part in US-China trade relations. With rapid industrial development in China, the very nature of IP issues between these two countries have transformed dramatically from piracy and counterfeiting in China to the alleged systematic theft of high-end technologies from the US. The current claim of systematic IP theft includes forced technology transfer, hacking activities, strategic acquisition of US companies and IP in certain technology industries, various ways of stealing trade secret associated with advanced technologies, etc. China's attitude toward these claims has gradually changed in the past two years. The country denied all of them in the beginning. Nevertheless, after several rounds of negotiation with the US, China has amended its Foreign Investment Law, Anti-Unfair Competition Law, Patent Law, Trademark Law in response to US's claim of unfair IP practice. This paper explores why the US needs to take unprecedentedly strong positions on China's IP practices and whether China's legislative responses have appropriately solved the longstanding disagreements on IP between two major economies in the world.