



Democrats and trade 2021: A pro-trade policy agenda for the Democratic Party

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In anticipation of the upcoming Democratic convention, The Cato Institute released a new **policy analysis** today titled “Democrats and Trade 2021.” Written by **James Bacchus**, a Cato adjunct scholar, former Democratic member of Congress, former chief judge of the World Trade Organization’s (WTO) Appellate Body, and now a distinguished professor of Global Affairs and director for the Center for Global Economic and Environmental Opportunity at the University of Central Florida, this paper provides a fresh look at Democratic trade priorities, highlights the need for the party and country to embrace trade liberalization and international trade cooperation in a post-Trump era, and lays out a detailed path toward achieving these goals.

Bacchus writes that even though Democrats have ample reasons to be pro-trade, they often seem to “echo Trump’s espousal of trade protectionism” or support trade apologetically. He advises that “Democrats should not fall into the trap of trying to compete with Donald Trump in skepticism about trade. Instead, Democrats should set out the positive case for trade liberalization and the rule of law in international trade.”

If Democrats win both the White House and Congress, they will need to set new trade policy. Bacchus advises a pro-trade agenda of: reclaiming Congress’s constitutional authority over international trade; repealing Trump’s unilateral tariffs; recommitting to multilateralism and the rule of law in trade; supporting the modernization of the WTO; finding a coherent approach to dealing with China; supporting bilateral and regional trade agreements for freer trade; and promoting effective domestic actions to enhance American competitiveness.

In addition to repealing the unilateral tariffs imposed by Trump, which has harmed the U.S. economy and hurt international relations, Bacchus highlights the importance of reclaiming congressional authority over trade and instituting checks on trade power that has been delegated to the executive branch. He emphasizes eradicating the open-endedness of statutes such as Section 301 and Section 232, which Trump has utilized to impose tariffs. As Bacchus explains, “[Democrats] should restore the constitutional authority of Congress over international trade, and, at the same time, ensure the authority of the president to negotiate new trade agreements ...”

Bacchus also criticizes Trump’s management of trade disputes with China, emphasizing the benefit of utilizing the WTO dispute process. As he writes, “Unquestionably, there are genuine concerns about protectionist trade practices. However, Trump’s approach of using unilateral and illegal tariffs to intimidate China into changing its behavior has not worked. Democrats should abandon this approach and take a cooperative, constructive and lawful approach to resolving legitimate concerns about Chinese trade practices.”

In conclusion, Bacchus emphasizes how critical it is for Democrats to develop a pro-trade policy that would repair the effects of Trump's protectionism and restore U.S. prosperity and leadership in the global economy, including a reinvigoration of the multilateral, WTO-based world trading system. "[Democrats] must remind all the American people why being for trade is in their best interest and why being against trade is not. Support for trade must be an essential part of any overall Democratic economic policy that aspires to restore and revitalize American prosperity."