



INDEPENDENT

Liberals are blaming Donald Trump for the baby formula shortage, but is that accurate?

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As Joe Biden and the Democratic Party's majorities in the House and Senate continue to face heat over rising consumer prices and a sudden shortage of baby formula triggered by plant shutdown and recall centered in Michigan, some liberals are focusing their fire on another target: Donald Trump.

Infant formula in the US is dominated by domestic manufacturers; foreign manufacturers make up only a few percentage points of the total US market share for baby formula, largely due to strict Food and Drug Administration standards for both content and labeling that restricts many European companies from the market.

The former president is facing criticism from some left-leaning figures on Twitter due to a trade agreement, the 2020 United States–Mexico–Canada Agreement (USMCA), which established new trading rules for business and trade across North America and placed heavy restrictions on Canada's dairy sector, long a target of criticism on the US conservative right due to its government-imposed price and import controls.

As part of the multinational trade agreement signed during Mr Trump's final year in office, a new wave of red tape was added to the process of importing baby formula produced in Canada, one of the products specifically restricted by the trade agreement. Tariffs on Canadian infant formula are high, around 17 per cent, and that tariff is required under the USMCA to increase further if exports reach a certain level.

“[T]he provisions in the USMCA's agriculture annex establish confusing and costly [tariff rate quotas] on Canadian exports of infant formula, and the United States imported no baby formula from Canada in 2021,” the Cato Institute noted last week, adding that companies will have little incentive to change that unless some of those restrictions and red tape is removed.

That lead many left-leaning verified Twitter users to turn their fire on the former administration over the 2020 trade agreement.

Trump bears much of the blame for the current shortage of baby formula in the U.S, since his Administration's USMCA free trade agreement has made it virtually IMPOSSIBLE for our country to import infant formula from Canada.

— Jon Cooper (@joncoopertweets) May 18, 2022

Trump's USMCA trade deal made it virtually impossible for the US to import infant formula from Canada. <https://t.co/UFiQf3urYQ>

— No Lie with Brian Tyler Cohen (@NoLieWithBTC) May 18, 2022

But blaming solely Donald Trump for this outcome is not fair, for one specific reason: There was bipartisan agreement surrounding the issue of restrictions on Canada's dairy sector, and one of the loudest champions for the issue was a Democrat, Senate Majority Leader Chuck Schumer.

"New York's dairy farmers are the lifeblood of the Upstate economy, but unfortunately, they have been squeezed by the economic effects of the COVID-19 crisis," he declared in a June 2020 news release. "That is why I am calling on [the Trump administration] to do everything in his power to ensure that Canada abides by its dairy trade obligations and eliminates its unfair and harmful pricing programs and practices that unfairly impeded Upstate New York dairy farmers from freely selling their product – as agreed to in the new trade agreement with Canada, the USMCA."

There's also the question of why the FDA and broader Biden administration didn't do more to predict the shortage. This was, for all the federal government's bluster, a foreseeable problem given that Abbott Nutrition was responsible for roughly 42 per cent of the nation's infant formula market share, even counting foreign manufacturers, and the shutdown of a plant in Michigan and a recall of formula it produced was sure to have some effect on the overall supply. Couple that with the concept of panic-buying, which US economists should be well familiar with after the early days of the Covid-19 pandemic, and a recipe for disaster was in the works back in February.

Asked by reporters during her final week in the White House about the issue, press secretary Jen Psaki seemed to betray some of the administration's sense of being caught off guard by the situation when she suggested that the FDA was working to address any "possible" shortages resulting from the plant shutdown, even though pictures and reports of empty shelves and desperate parents (particularly including those with children who have special dietary needs) have been circulating and increasing in frequency for weeks.

She did not, however, that the concerns of the agency were linked to a deadly bacteria that the agency has said is linked to the deaths of two infants. The company has contested this finding.

"The FDA issued a recall to make sure that they're meeting their obligation to protect the health of Americans -- including babies who, of course, were receiving or taking this formula -- and ensure safe products are available. That's their job," she told reporters.

"Ensuring the availability is also a priority for the FDA and they're working around the clock to address any possible shortage," added the outgoing secretary.