



Trump Launched A Trade War Against China. Don't Look To Biden To Reverse It

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President Trump's slash-and-burn rhetoric against China may have brought few lasting economic benefits so far, but it has succeeded in one fundamental way: No administration can now afford to play nice with the United States' biggest rival.

Trump made hostility toward China a centerpiece of his "America First" trade agenda, launching bitter attacks against Beijing's policies and setting off a trade war by slapping tariffs on two-thirds of Chinese imports.

All those attacks have changed the relationship between the two economic superpowers, according to experts. And although president-elect Joe Biden will likely set a more polite tone, he can ill afford to ease off on China as American attitudes toward trade and big global deals have soured in recent years.

Meanwhile, skepticism toward China abounds in both parties, especially among the progressives who helped elect Biden.

"I think the continued inflammatory rhetoric that President Trump has used toward China has basically made it impossible for any administration to immediately come in and change course," says Chad Bown, senior fellow at the Peterson Institute for International Economics.

It's a marked change for an incoming president who voted for NAFTA, despite later expressing misgivings about it. He also once voted to set the path for China to enter the World Trade Organization, eventually helping fuel the Asian country's incredible rise as a manufacturing superpower.

But Trump, experts note, has successfully shifted the debate on China by repeatedly accusing Beijing of predatory policies that gutted American industries, even if few companies have relocated back to the United States.

Meanwhile, years of job losses and factory closures have hardened public views about trade, especially in key electoral states such as Pennsylvania, Ohio and Michigan, according to Arthur Dong, a professor at Georgetown University's McDonough School of Business.

"Biden, I think, is well aware of that," says Dong.

The hostility toward China is shared by unions and left-wing groups that helped elect Biden and see previous Democratic support for trade agreements such as NAFTA as a betrayal.

"I don't think the 1990s-style Democratic party is fit for today's electorate or today's economy, and I hope that Joe Biden appoints personnel around him who understand that," says Waleed Shahid, spokesman for Justice Democrats, a progressive group tied to Rep. Alexandria Ocasio-Cortez of New York.

That pressure on the left – and the right – means Biden is unlikely to reverse Trump's tariffs with the stroke of a pen, leaving him with few good options to pressure China.

And Biden could also be constrained by changes to global sentiment towards the United States under the Trump administration.

During the campaign, Biden criticized what he sees as Trump's go-it-alone approach to China and said that the U.S. needs to ally itself with Asia and Europe to force Beijing to play by the rules on trade.

"If we don't set the rules, we in fact are going to find ourselves with China setting the rules, and that's why we need to organize the world to stop China to stop the corrupt practices that are under way," he said in a 2019 Democratic debate.

That may be easier said than done. Joining with allies to contain Beijing was the impetus for the Obama administration's Trans-Pacific Partnership (TPP), a gargantuan trade deal among 12 Pacific-Rim nations that excluded China.

But the TPP was scrapped by Trump as soon as he took office, and Biden has said he won't support it without significant improvements in labor and environmental safeguards.

Meanwhile, the world has moved on without the United States. Over the weekend, China and 15 other countries signed a trade pact of their own, the Regional Comprehensive Economic Partnership.

Biden's effort to lead other countries in containing China faces another barrier as well.

Trump clashed over trade not just with China but with friendly countries such as Canada and Mexico, angering key allies and damaging U.S. leadership abroad, says Wendy Cutler, former acting U.S. deputy trade representative.

"There's a lot of mistrust among our allies and partners with the United States, specifically with respect to trade," Cutler says. "And, frankly, countries are increasingly fed up with us."

And then, there's the biggest hurdle of all: Biden's top priority will be bringing the U.S. economy back from the pandemic's economic downturn, pushing other issues to the side, according to Cutler.

"Trade is not going to be a front-and-center issue for this administration as it was for the Trump Administration," she said. "There are a lot of domestic issues that need urgent attention."

Still, there is one way Biden is widely expected to change the U.S. relationship with China. After nearly four years of Trump's bitter attacks against China, including over the pandemic, most experts expect at least the tone will change.

"Trump's trade policy has been defined by protectionism and cronyism and mean-spiritedness," says Dan Ikenson of the pro-trade Cato Institute. "I think President Biden's trade policy will be more polite."