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Going back and forth on China trade threats, never fully backing off, is a pattern for Trump

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President Trump has backed away from a threat to raise tariffs on Chinese goods while managing to keep the threat hanging over Beijing.

As recently as Saturday, the administration was still officially going to raise the levies on \$200 billion worth of goods. The next day, Trump tweeted that he was "delaying" the hike, without creating a new deadline.

In a Federal Register notice set to be published Tuesday, the administration confirmed it would merely "postpone" the tariff hike, again not giving any new date.

The pattern is typical of the Trump administration, which has made major threats of harsh penalties on China for its trade policies on at least four occasions, only to pull back on them later, while still maintaining the threat that they could return.

It could be a negotiating strategy to keep the Chinese off-balance.

"It gives the U.S., from a strategic standpoint, some flexibility," said Dimitar Gueorguiev, assistant professor of political science at Syracuse University.

Gueorguiev noted that Trump has only backed away from raising the tariffs from 10 percent to 25 percent and hasn't eased off of the existing 10 percent tariffs. Those, he said, likely won't go away even if a deal is reached.

Trump's vacillations about the tariff hikes are a tactical ploy, argued Gary Hufbauer, nonresident senior fellow at the Peterson Institute for International Economics. "The possibility of going back to full coverage of all Chinese goods and raising the rates is still there, and that is hanging over these next talks," he said.

Other trade policy experts agreed, saying the pull-back on the March hike was a strategic move and probably planned out. "The 90-day deadline was never realistic, I thought," said Richard Mojica, a trade policy lawyer with the firm Miller and Chevalier, referring to the original timeframe Trump set out for negotiations before tariffs would be hiked. "I think the 90-day deadline was really just the start of the negotiations."

The potential tariff hike was at least the fourth time the administration has walked back a major trade policy threat against China. When the White House first proposed the tariffs on the \$200 billion in goods back in July, it threatened to set rate at 25 percent. When it instituted those tariffs in September, it set the rate at only 10 percent.

Also last year, President Trump threatened several times to place tariffs on \$257 billion to \$267 billion worth of additional Chinese goods, enough to cover all remaining imports not already covered with tariffs. Those additional tariffs have not been mentioned for months.

As a candidate, Trump threatened to label China as a currency manipulator on “day one” of his administration, but Treasury Department reports on China’s policies, while critical, have thus far refrained from making that conclusion.

But while Trump has backed away on some major points, he has nevertheless slapped tariffs in \$250 billion worth of goods and left open the possibility that China could be hit with much more.

The president has to make big, scary threats, argued Derek Scissors, senior fellow with the American Enterprise Institute, because it is the only way to get Beijing to pay attention. “A 25 percent tariff on \$200 billion worth of tariffs is a big deal, much more so than the existing 10 percent tariffs. They had to take it seriously just because it was stronger,” he said.

Trump wouldn't have been able to get one-on-one talks with Chinese President Xi Jinping, the latest of which has been set for later this month at Mar-a-Lago in Florida, without them, Scissors said.

“My guess is the Chinese think Trump is pretty unpredictable — as we all do!” said Simon Lester, a trade policy expert with the free-market Cato Institute. “What makes it difficult to assess is that we don’t know what [U.S. Trade Representative Robert] Lighthizer is saying as part of the talks behind the scenes. That may be more important than what Trump is saying publicly.”

The president’s erratic nature might also benefit the negotiating team, Gueorguiev said, noting it conforms to a method of game theory. “It creates a situation where the negotiator can go to the Chinese and say, ‘I want to make a deal, but look at what I am dealing with. You have to give me more,’” he said.