

Trump's handling of the shutdown may have weakened his hand in China trade talks

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President Trump's failure to get concessions from Democrats over the partial government shutdown weakened his hand in trying to get a trade deal done with China, observers say.

Trump's inability to force his will on Congress and get funding for a U.S.-Mexico border wall will be noticed by his Chinese counterparts, said Gary Hufbauer, senior fellow at the Petersen Institute for International Economics.

"If he doesn't get wall funding on the next round with Congress, I think he looks weaker all around," he said.

Dimitar Gueorguiev, political science professor and China expert at Syracuse University, said the shutdown hurt the president "because in the end, he blinked."

"What the shutdown reveals is that the Trump administration does not have a very specific game plan for what it wants," he said. "So what it is going to do is to give the Chinese negotiators reason to pause and wonder whether any sort of deal they reach would credibly exist in the future."

The White House's top trade negotiator, U.S. Trade Representative Robert Lighthizer, and other key administration officials met Wednesday with Chinese Vice Premier Liu He in Washington to start the latest round of talks between the two nations. Trump is expected to meet one-on-one with Liu Thursday.

The pressure is on both sides to meet a March deadline set by the Trump to see progress in addressing longstanding grievances with China. The meeting comes just days after Trump ended a budget stand-off with Democrats by agreeing to open the government through Feb. 15.

Republicans are hoping that the outcome of the shutdown doesn't hurt Trump and instead reinforces his reputation as somebody who needs to be dealt with carefully. "The prevailing thought is that Trump is generally unpredictable and that parties understand that when they enter into negotiations with Trump," said a Senate staffer who requested anonymity to discuss the negotiations.

Although Trump marginally weakened his negotiating position with the result of the shutdown, he "still has the power to impose tariffs," said Simon Lester, a trade policy analyst with the freemarket Cato Institute. That authority, which Trump can exercise unilaterally, without Congress, gives him leverage in the talks.

In fact, some members of Congress would prefer to limit Trump's ability to levy tariffs without their say-so. On Wednesday, a bipartisan group of lawmakers introduced legislation that would shrink the national security authority that Trump has used to enact tariffs single-handedly. The legislation would instead force the administration to seek congressional approval before the tariffs could be implemented.

The Trump administration has placed tariffs of 10 percent to 25 percent on \$250 billion worth of Chinese goods as part of an effort to force Beijing to change its trade policies, and threatened to raise those tariffs to 25 percent across the board if a deal is not reached by March 1. The White House has also placed tariffs of 25 percent on steel imports and 10 percent on aluminum ones and has threatened to place tariffs on auto and auto parts imports but held off on them pending the outcome of talks with the European Union.