



## Why Trump's pick for US trade representative, Robert Lighthizer, is a big deal

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January 3, 2017

Donald Trump is continuing to show signs that he's serious about transforming the way America does business in the global arena: On Tuesday, he picked Robert Lighthizer, a former trade official in the Reagan administration and longtime skeptic of free trade, to head the US Trade Representative office.

The USTR takes the lead responsibility for negotiating trade agreements with other countries and represents the United States at the World Trade Organization. Under President Obama, the office was busy negotiating the Trans-Pacific Partnership, the colossal free trade deal that would've strengthened ties between the US and 11 countries along the Pacific Rim by, among other things, drastically reducing tariffs on traded goods.

That deal is now considered dead — Trump has promised to withdraw from it on his **first day in office**. His nomination of Lighthizer, a career trade lawyer who has advocated for *increasing* tariffs on imports from competitors rather than decreasing them, confirms his commitment to bucking free trade orthodoxy in Washington.

“[Lighthizer] has extensive experience striking agreements that protect some of the most important sectors of our economy, and has repeatedly fought in the private sector to prevent bad deals from hurting Americans,” Trump **said** in a statement. “He will do an amazing job helping turn around the failed trade policies which have robbed so many Americans of prosperity.”

Rob Scott, director of trade and manufacturing at the Economic Policy Institute, a left-leaning think tank in Washington, DC, says the pick shows Trump means business on possibly renegotiating existing trade deals like NAFTA, the agreement that virtually eliminates all border taxes on goods flowing between the United States, Canada, and Mexico. Lighthizer, who has a reputation for being a tough negotiator and worked on high-level trade negotiations under Ronald Reagan, has the knowledge and the knowhow to deliver on Trump's trade agenda.

But it also renews questions over who is actually to be at the helm of administering trade policy in the executive branch, in light of reports that Trump **plans to expand the commerce**

**secretary's role** in overseeing trade and has created two entirely new trade-related positions in his administration.

While there seems to be some degree of ideological continuity among the trade-related picks so far, there isn't a great deal of clarity regarding who will be doing what. There's reason to think that there could be some bureaucratic turf wars in the coming months.

“It's quite clear that the one thing that Trump clearly believes in is getting tough on trade with other countries — and that means probably imposing tariffs on trade with China or Mexico or other countries,” Scott says. But, he notes, the pick of Lighthizer “opens up a whole can of worms” about how that's going to be done.

### **Lighthizer is a natural pick for Trump**

Lighthizer makes sense as a pick for steering the USTR. He was an early Trump supporter — **always an asset for a candidate** in the president-elect's eyes. And unlike many of Trump's picks for economic-related positions **such as Steve Mnuchin**, the banker whom Trump has picked for secretary of the Treasury, Lighthizer has experience in government and expertise in his policy realm. In the 1980s, he had stints as a chief of staff on the Senate Finance Committee and as the deputy US trade representative under Reagan.

**In the late 1980s** he shifted into private legal practice, and has been working on trade-related issues for decades. Today he's **a partner** at the law firm of Skadden, Arps, Slate, Meagher & Flom, where he **represents industries like steel** that advocate for tariffs to keep their sectors competitive in the American market.

The fact that Lighthizer's last major government post was back in the Reagan era is striking. We've also seen that with K.T. McFarland, Trump's choice for deputy national security adviser, who hasn't served in any governing capacity **since 1984**. Typically, incoming presidential administrations draw primarily from the staff of recent administrations of the same party; Trump appears to be fine with reaching much further back. Then again, he has set a low bar for government experience among his administration picks — Secretary of State nominee Rex Tillerson and Secretary of Commerce nominee Wilbur Ross, for example, have no prior experience in government at all.

On an ideological level, Trump and Lighthizer are a natural match. Lighthizer is known as **acolorful rhetorician** and has long argued that protectionism on trade — using border taxes on imports to protect domestic industries from competition — is something that is entirely compatible with conservatism. He's penned op-eds **praising Reagan** for disregarding the “utopian dreams of free traders” with his “pragmatism” on trade, such as his restrictions on importing steel and automobiles.

And in 2011, as Trump was considering a potential run for president, Lighthizer wrote an op-ed **in the Washington Times** defending Trump's criticism of free trade and China.

“How does allowing China to constantly rig trade in its favor advance the core conservative goal of making markets more efficient?” Lighthizer wrote at the time.

If confirmed by the Senate, Lighthizer will be involved in renegotiating existing trade deals or helping craft new ones. Given his history on trade, it's clear that his instincts will not be to eliminate all trade barriers in trade deals, but instead to find ways to shield at least some domestic industries from job loss. And by all accounts it seems he will share Trump's inclination to focus on China.

### **It's hard to predict how trade policy will actually be crafted**

What's unclear is how much power Lighthizer will actually have in executing trade policy. Trump has indicated that his close friend Ross, the billionaire investor Trump has nominated for commerce secretary, will be playing a much larger role in trade policy than commerce secretaries of the past. "Secretary Ross will be our administration's leader on setting many of our trade priorities," Jason Miller, the Trump transition team spokesperson, **told FT**. This would essentially undercut the influence of the US trade representative — that is, Lighthizer.

Complicating things even further is the fact that Trump has created two entirely new positions in government designed to deal with trade. He's named Jason Greenblatt, his longtime business lawyer, as his "special representative for international negotiations." And Peter Navarro, an early Trump backer and economist best known for his manifesto "**Death by China**," has been selected to oversee the new National Trade Council.

"It's a new world, and I don't think we know how these individuals or offices are going to relate to one another," the Economic Policy Institute's Scott says.

One thing Lighthizer has going for him in terms of influence over policy is his knowhow. Simon Lester, a trade analyst at the libertarian think tank Cato, **has argued** that the fact that Lighthizer has the most technical knowledge of the bunch could give him a leg up.

So it appears there will be many cooks in the kitchen on trade policy. How the division of labor will break down is uncertain. But all signs indicate that the Trump administration will be whipping up something different from what we've been seeing from both establishment Democrats and Republicans on trade for many years.