



Biden's Trade Representative Expected to Be Assertive with China

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If China's leadership had any question about how the Biden administration would approach the ongoing trade disputes between the two countries, the appointment of Katherine Tai to be U.S. trade representative ought to have answered them pretty clearly.

An attorney by training, Tai comes to the job from the U.S. House of Representatives Ways and Means Committee, where she has been chief trade counsel since 2017. Before joining the committee in 2014, she spent several years at the Office of the U.S. Trade Representative, including three years as the chief counsel for China Trade Enforcement, where it was her job to manage U.S. disputes with China before the World Trade Organization.

A fluent speaker of Mandarin, Tai knows China very well, having spent the years after receiving her undergraduate degree from Yale teaching English at Zhongshan University in Guangzhou.

She has been reserved in her comments since her nomination, because she is awaiting Senate confirmation. But in remarks before the National Foreign Trade Council earlier this month, Tai made it clear that she sees the U.S.-China trade relationship as one of the most important factors in a world that “feels like a more complicated and a more fragile place today than it has at any point in my lifetime,” she said.

“Our nation and our people confront substantial challenges in navigating and maintaining our values and our place in the world,” she said. “In the international arena, we face stiffening competition from a growing and ambitious China — a China whose economy is directed by central planners who are not subject to the pressures of political pluralism, democratic elections, or popular opinion.”

Jason E. Kearns, the chairman of the politically independent U.S. International Trade Commission, describes Tai as a “strategic thinker” who nevertheless tries to approach difficult decisions without preconceived notions of how to address them.

Kearns preceded Tai in her role on the House Ways and Means Committee, with jurisdiction over taxes and trade, where he hired her and worked with her for years. He agreed to speak about her in a personal capacity and not in his role as USITC chair.

“She’s a very deep and inclusive listener,” Kearns said. “And that’s how she approaches all the problems that she handles. She tries to build a lasting consensus, and I think she’s very successful at it.”

Tai, he said, combines a good sense of humor with a confidence that will serve her well in international trade negotiations, particularly with China. She recognizes that “China does pose some very serious challenges to us,” Kearns said, and her approach to Beijing will be both “thoughtful” and “assertive.”

That’s what many American companies trying to compete in China also hope — and expect — to get from Tai.

“Anyone that thinks that Katherine Tai is going to be a pushover or easy on China is in for a surprise,” said Doug Barry, a spokesperson for the U.S.-China Business Council, which operates from Washington, Beijing and Shanghai. “She is certainly the most qualified person on China to have come along in that office in recent memory. She knows the issues inside out. She knows China inside out. And as a result, there will be no wool pulled over her eyes by anybody.”

Barry said that Tai will be very aware of the past difficulties the U.S. has had making China observe the commitments it has made in previous trade deals.

“China’s approach has largely been sort of foot dragging on some of the concessions that it has promised to make, and she will hold them to a much stricter standard and a much more rigorous timeline, in terms of when the Biden administration expects China to fulfill the commitments that it’s been making for years,” he said.

Tai’s connections to China run deep. Her parents were born in mainland China, grew up in Taiwan and emigrated to the United States. Tai was born in Connecticut in 1974 but was raised primarily in Washington, where her father worked as a researcher at Walter Reed Medical Center and her mother worked for the National Institutes of Health.

After attending Harvard Law School, Tai began making a name for herself as a trade attorney, working at prominent Washington law firms before joining the government.

Trade experts know that in Tai, the U.S. is getting someone exhaustively familiar with the arcana of trade deals and the complexities of trade law. Less clear, though, are her own personal beliefs about striking the right balance between those who support trade with as few restrictions as possible and those who believe trade policy ought to be used to protect U.S. jobs and industries from competition with low-cost countries.

“I think you’re getting a skilled technician with tons of experience in the weeds,” said Scott Lincicome, a senior fellow at the libertarian Cato Institute. “Her experience is primarily as a behind-the-scenes counsel. In that regard, you are typically implementing the policies that your principal — a politician — wants, and thus, you are somewhat beholden to those policy positions. And that makes it difficult to really know where she is on the ideological spectrum.”

And it’s not only Tai’s preferences that aren’t clear, Lincicome said.

“There’s a massive political question mark about what the Biden political side wants to do on trade,” he said. “We saw [Biden] just this week announce his ‘Buy American’ policy, sounding

very Trumpian, very economic nationalist, pro industrial policy. ... But it's very early, and it's difficult to really say where they're going to go.”

Tai may have provided some clues in her remarks to the NFTC, when she said that the Biden administration’s goal is to “implement a worker-centered trade policy.”

In practice, she said, that means “U.S. trade policy must benefit regular Americans, communities, and workers. And that starts with recognizing that people are not just consumers — they are also workers, and wage earners.

“Americans don't just benefit from lower prices and greater selection in shops and markets,” she continued. “Americans also benefit from having good jobs, with good wages.”