Negotiation, not useless tariff threat, is the way forward

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By Chen Weihua |   
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US President Donald Trump and Commerce Secretary Wilbur Ross both tried to calm the panic about a possible trade war on Wednesday, just hours after China slapped a 25 percent tariff on $50 billion of imports from the US, including soybeans, whiskey, cars and airplanes.  
Trump tweeted early on Wednesday morning that “we are not in a trade war with China”, while Ross told CNBC that he expects the situation will likely lead to a negotiated deal. Larry Kudlow, director of the White House National Economic Council, suggested that it’s possible Trump’s tariffs are a negotiating tactic and won’t actually take effect.  
If that is the case, then Trump has already proved himself wrong. China has demonstrated that it cannot be coerced and that it is fully determined to reciprocate. Wielding a big tariff stick won’t give the US more leverage at the negotiating table.  
By threatening protectionist tariffs, Trump has caused a major disruption in the global trading system and also put Americans in harm’s way. US consumers — farmers and blue-collar workers, many of whom voted for Trump — have been hurt already as a result of the tariff war triggered by the steel and aluminum tariffs under US law. The damages will be much greater if the tit-for-tat tariffs sparked by another part of the law take effect.  
China has long called for negotiations to resolve bilateral trade and investment issues. So if the Trump administration is open to negotiation, as it has indicated, it should immediately cease using the tariff stick and get on with the negotiating process.  
Negotiations, through any established platform, is a much better way to address each other’s concerns than threatening a tariff war.  
Negotiations may not be a smooth process and will not solve all the problems or solve them in a short time. That is just the nature of many complicated issues in big countries like China and the US.  
Gun violence, for example, has haunted Americans for decades, but it remains a serious issue regardless of the massive public demonstrations like the recent March for Our Lives.  
China has long called on the US to loosen and lift its restrictions on US high-tech exports to China. The US has not only failed to address this but moved in the opposite direction with more discriminatory policies against China, both in trade and investment.  
And it’s impossible for the US to demand that China, the world’s largest developing country, solve its problems overnight, even if it’s in China’s best interest.  
What is important is that China is moving in the right direction. It has been steadily improving its protection of intellectual property rights, a key element for creating an innovation driven society.  
Chinese leaders have pledged further reform and opening-up. President Xi Jinping is expected to roll out new measures at the Boao Forum for Asia to be held in Hainan province from April 8 to 11.  
After all, this year marks the 40th anniversary of China’s reform and opening-up drive, which has brought phenomenal progress to the country and benefited the world, including the US. It’s in China’s interest to continue on that path.  
So it’s really time for Trump to give up the useless tariff weapon and come to the negotiating table.

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