



Post-Election Webinar Series

International Trade | December 3, 2020



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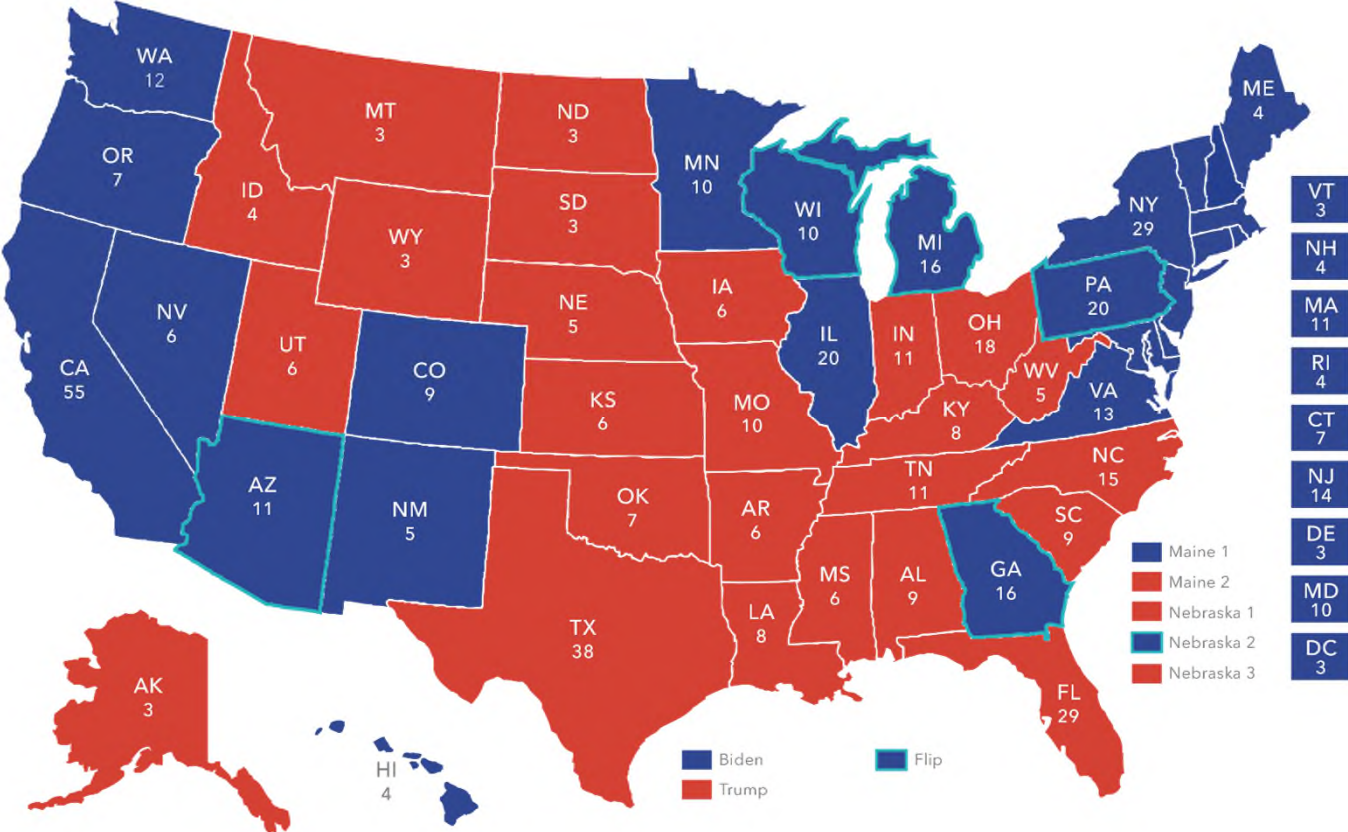
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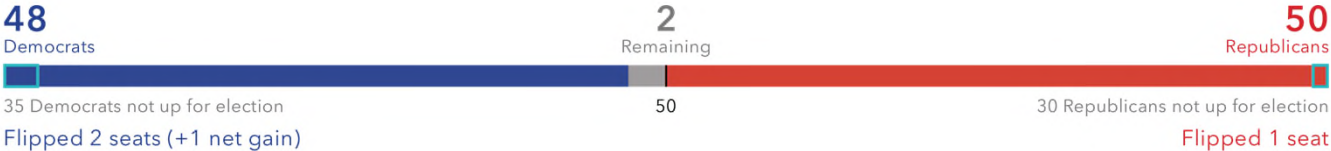
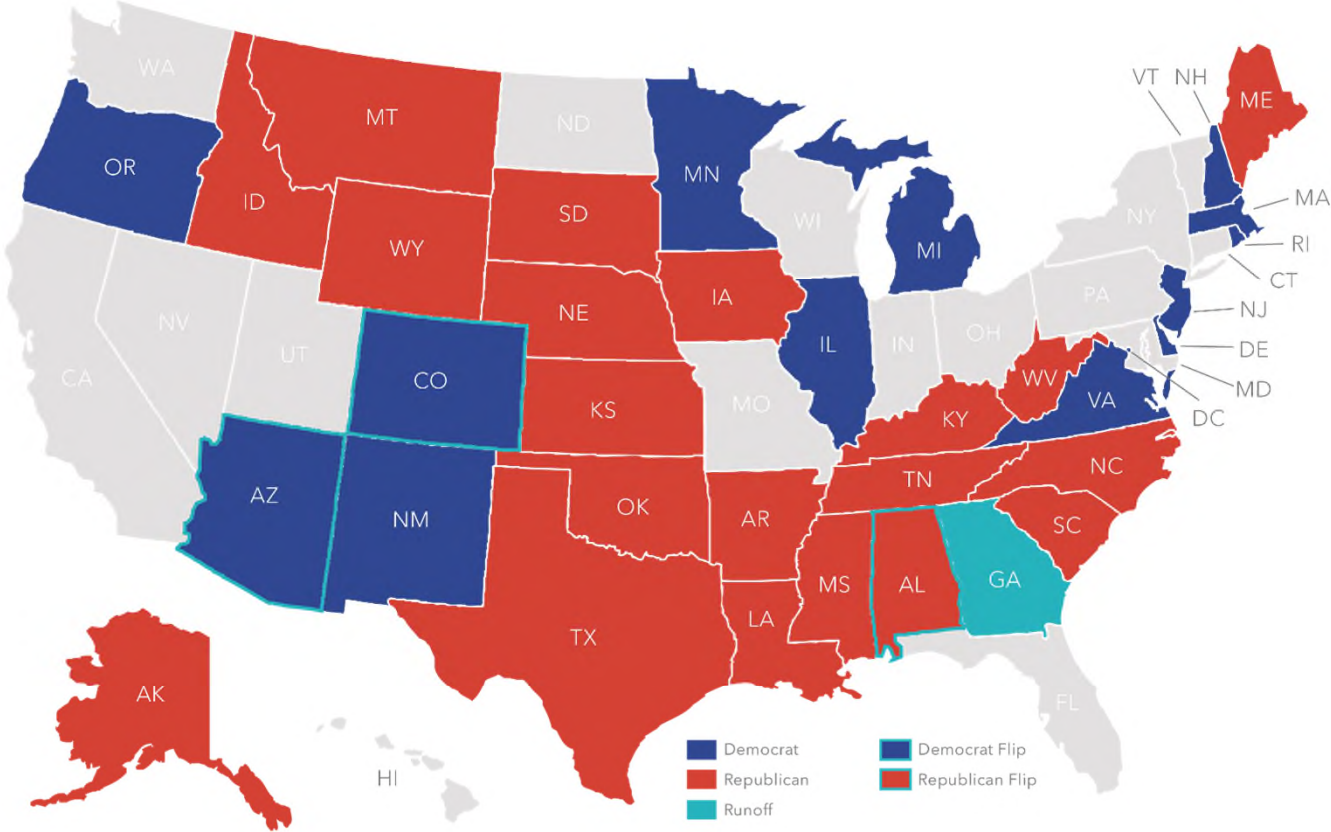
The 2020 Election – President-Elect Biden at 306

- President-Elect Joe Biden is the projected winner with 306 votes
President Trump has 232 votes but has yet to concede



The 2020 Election – The U.S. Senate: Undecided

- Control of the United States Senate has not been determined yet
- Republicans were able to flip Alabama and hold Montana and Iowa
- Democrats flipped Arizona and Colorado
- There will be two runoffs in Georgia that will determine the majority in the U.S. Senate



The 2020 Election – The Next 60 Days

The Election Fight, Continuing Resolution, and COVID-19 Stimulus Bill

- How long could it take to finalize the results of the presidential election?
- Georgia January runoff elections
- The government runs out of funding on December 11
- Will Democrats and Republicans work to finish a COVID-19 bill and combine with a CR or wait until 2021?
- Will Trump sign any bill coming to him?



Key congressional committees

Senate Finance Committee

- **Sen. Mike Crapo (R-ID)** – *likely to become top Republican*
- **Sen. Ron Wyden (D-OR)** – *to remain top Democrat*

- **Sen. John Cornyn (R-TX)** – *expected to remain top Republican on Trade Subcommittee*
- **Sen. Bob Casey (D-PA)** – *expected to remain top Democrat on Trade Subcommittee*

House Ways and Means Committee

- **Rep. Richard Neal (D-MA)** – *to remain chairman*
- **Rep. Kevin Brady (R-TX)** – *to remain ranking member*

- **Rep. Earl Blumenauer (D-OR)** – *to remain chairman of Trade Subcommittee*
- **Rep. Vern Buchanan (R-FL)** – *to remain ranking member of Trade Subcommittee*

The First 100 Days

Potential priorities for the first 100 days of a Biden administration could include:

- A COVID-19 response/stimulus, possibly coupled with infrastructure
 - A COVID-19 package could happen regardless of which party controls the Senate, but scope will be different, depending on whether Republicans or Democrats are in the majority
 - There could be a tax component
- Immigration
 - Look for Biden to undo Trump policies and push for comprehensive immigration reform (as Biden reiterated in the last debate)
 - There is bipartisan support for something in the Senate, regardless of which party controls it
- Climate/Environment
 - Biden wants to re-enter the Paris Agreement
 - Probable rollback of Trump environmental deregulation and a legislative push if Democrats control the Senate
- Voting rights advancement/John R. Lewis Voting Rights Act

Overview

- Executive branch traditionally has the lead in trade and trade policy
 - Important trade post appointments: NEC and NSC directors, U.S. Trade Representative, Secretary of Commerce
- Congressional committees to watch include Senate Finance, House Ways and Means
- Important issues for 2021 and beyond:
 - China
 - National security controls
 - Trade deals
 - World Trade Organization (WTO)
 - Maritime trade—International and the Jones Act

China

Biden Administration

- Biden expected to push China on security and human rights concerns
- May focus on building multilateral ties with allies to keep China in check
- New tariffs on China are unlikely, but it is equally unlikely that Biden will prioritize a significant rollback in tariffs already in place

Trump Administration

- Trump has made “decoupling” from China part of his second-term platform
- Additional tariffs on China are likely if they would be useful pressure for continued negotiations
- Will continue to focus on bringing back manufacturing from China

National Security Controls

Biden Administration

- Sees a strong link between national security and trade policy
- Will likely continue strengthening export control regulations on high-profile items (e.g., PPE, emerging technologies, data)
- Has expressed a goal of re-shoring (or near-shoring) supply chains for critical products, such as medical equipment and semiconductors

Trump Administration

- Has made it a priority in his first term to be aggressive – against China in particular – on cutting overseas companies' access to important U.S. technology
- Has likewise focused on banning certain Chinese telecom equipment in the U.S.
- 2020 executive orders on TikTok and Tencent are indicators of what's to come

Trade Deals

Biden Administration

- Biden will likely focus political capital on the domestic economy (strengthening labor protections, re-shoring supply chains of critical industries) rather than on negotiating new trade deals
- In any new trade deals, will likely focus in particular on key Democratic priorities of labor and environment
- Keen to foster closer trade relations with geopolitical allies (e.g., EU, Japan)

Trump Administration

- Trump will use his second term to continue the push for new bilateral deals rather than multilateral alliances
- Current negotiations with UK will likely continue, although thorny issues remain unresolved

World Trade Organization

Biden Administration

- Historically Biden has been supportive of the WTO as a multilateral mechanism for pursuing U.S. interests on trade
- Nevertheless, a consensus is emerging that the WTO needs reform, and Biden will likely work to implement specific reforms
- Will push the WTO to enforce trade rules on China

Trump Administration

- Over the past four years Trump has actively undermined the WTO's Appellate Body by blocking the nomination of new judges
- Trump administration may consider raising its tariffs to levels that it sees as reciprocal with those of other major trading partners
- Possible that the U.S. will pull out of the WTO altogether

Questions?



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