

TRUMP'S TRADE POLICY: DISCERNING BETWEEN RHETORIC AND REALITY

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ABSTRACT

Trump's overall trade agenda is one of disruption. He is unpredictable, but less so on trade. Trump has been consistently advancing "Make America Great Again" by calling for trade that puts the United States (hereinafter "U.S.") interests first. He views multilateral trade agreements as instruments that weaken American leverage. His rhetoric has matched substantive policy changes (e.g., renegotiation of North American Free Trade Agreement (hereinafter "NAFTA"), withdrawal from Trans-Pacific Partnership (hereinafter "TPP")). This will continue. Trump has deal making capabilities and will probably seek to sign bilateral free trade agreements with willing partners who can commit to terms quickly. However, this will not be easy. Although he has spoken tough on China, he has thus far stopped—albeit just—in acting tough. Trump is currently adopting a "wait and see" approach. Hence, it is important, especially when analysing Trump's behaviour with China, to discern between rhetoric and reality. Overall, early signs indicate that Trump could consolidate Americans' hardening attitudes against free trade. Trade policy will become more transactional and framed as a win-lose, mutually exclusive battle in which the U.S. always has to win.

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