

Donald Trump Trade Policy Positions

- **Universal Tariffs**

During his term as President, Trump often employed rarely used laws to impose tariffs on steel and a broad range of Chinese goods (e.g., sections 201 and 301 of the Trade Act of 1974, and section 232 of the Trade Expansion Act of 1962). Most recently, he has indicated a desire and willingness to impose universal tariffs of 10-20% on all goods imported into the U.S.

- **Decoupling from China**

Trump has expressed his belief that the United States must “decouple” from China—a process of detaching the U.S. economy and supply chains from China’s. He supports policies that would impose significant trade barriers to limit Chinese imports. To achieve the goal of decoupling from China, President-elect Trump plans to significantly increase tariffs on imported Chinese goods, phase out the importation of “essential goods,” and seek to change the de minimis rules to prevent imports from China from entering the U.S. duty-free.

- **De Minimis changes**

Trump would also likely support additional significant changes to the de minimis exemption rules, perhaps more so than what the Biden Administration recently proposed.

- **Revocation of China’s Most Favored Nation Status**

Trump has proposed revoking China’s most favored nation (MFN) status. Trump considered this during his first term and suggested removing China’s most favored nation status in his second term. Revoking China’s MFN status would allow the U.S. to impose higher tariffs on Chinese goods compared to those from other countries.

- **Bilateral Free Trade Agreements**

Trump has signaled his intention to return to bilateral rather than multilateral trade agreements. For example, Trump previously withdrew the U.S. from the Trans-Pacific Partnership, pushed for a partial reform of the Korea-U.S. Free Trade Agreement, renegotiated the North American Free Trade Agreement for the United States-Mexico-Canada Free Trade Agreement, concluded a “mini-trade agreement” with Japan, agreed to initiate free trade agreement talks with the Philippines.

- **Relaxing of Russian Sanctions**

During the campaign, President-elect Trump indicated his intention to relax or lift completely sanctions on Russia put in place by the Biden Administration as a response to the war in Ukraine. When and how this takes place could have a wide-ranging impact on the trade community.

- **Changes to the CHIPS and Science Act and Inflation Reduction Act**

President Trump believes that the CHIPS and Science Act passed by the Biden Administration was a bad deal and may try to dismantle its implementation. This also applies to how he will approach other major pieces of legislation passed under Biden, such as the Inflation Reduction Act (IRA). Trump has made statements that he will attempt to dismantle some of the environmental provisions of the IRA that may impact businesses engaged in international trade.