Press Release

The Details of Trump’s Phase One Trade Deal with China

ALLISON EDWARDS | JANUARY 21, 2020

The Phase One trade agreement between the United States and China reduces non-tariff barriers to U.S. exports and aims to reform unfair Chinese trade practices such as forced technology transfer and intellectual property theft. Yet this deal is not the first time China has agreed to changes in these areas, notes AAF’s Director of Trade and Immigration Policy Jacqueline Varas in a new analysis of the deal. The agreement’s unconventional dispute mechanisms raise the question of whether the provisions can be enforced effectively.

An excerpt:

This Phase One deal with China is an example of how trade agreements can be used to lower trade barriers both at home and abroad. Not only did China agree to significantly reduce its non-tariff barriers against U.S. exports and begin to reform some of its unfair practices, but the Trump Administration will also reduce a portion of its latest unilateral tariffs on China. At the same time, the weak enforcement mechanism calls into question whether China will adhere to its promises. Only time will tell.

Read the analysis.