Biden Rolls Out Sweeping Tariffs Against China

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WASHINGTON — President Joe Biden on Tuesday rolled out steep new tariffs on a wide range of Chinese imports, including electric vehicles, solar panels, semiconductors and medical products in an effort to protect American manufacturers from competitors he said are unfairly subsidized by the government in Beijing.

"American workers can out-work and out-compete anyone as long as the competition is fair, but for too long it hasn't been fair," the president said between raindrops during a speech in the White House Rose Garden Tuesday afternoon.

"We're not going to let China flood our market," he said.

Jesse Gary, president and CEO of the Century Aluminum Company, the largest producer of primary aluminum —

aluminum produced directly from mined ore — in the United States, and Roxanne "Rox" Brown, vice president of the United Steelworkers Union, delivered opening remarks.

As they looked on, Biden also announced he intends to continue tariffs on more than \$300 billion worth of Chinese goods imposed during the Trump administration.

His position on those tariffs on Tuesday was a marked contrast to his criticism of them during the 2020 presidential election campaign, when he called former President Donald Trump's imposition of them a veiled tax on American consumers.

But his change of heart showed how important a tough-on-China stance is considered ahead of this year's election, particularly as both the Biden and Trump campaigns are trying to woo swing voters in several manufacturing-dependent battleground states.

Standing before an audience that included members of his cabinet, Democratic members of Congress, the leaders of several labor unions and the heads of several manufacturing concerns, Biden accused of China of propping up its companies, enabling them to produce far more of certain products than the world can absorb, and then "dumping these excess products on the market at unfairly low prices, driving other manufacturers around the world out of business."

Biden also sharply criticized China for forcing American companies to transfer their patented technologies to China as a cost of doing business, and for requiring that China hold a 51% ownership interest in the subsidiaries of U.S. companies that want to do business there

According to the White House, about \$18 billion worth of Chinese goods will be subject to the sharp rise in tariffs, which were "carefully targeted to strategic sectors."

President Joe Biden, surrounded by union officials, signs an order imposing steep new tariffs against China. (Photo by Dan McCue)

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grabbers, however, are the tariffs on Chinese-produced electric vehicles, which will quadruple this year to 100%.

"Folks, look, I am determined that the future of <u>electric vehicles</u> be made in America by union workers," Biden said to sustained applause.

American consumers, he said, want to buy inexpensive electric vehicles in a market "that isn't dominated by the unfair trade practices of China."

"Americans can continue — and I want to make this clear — [to] buy any kind of car they want, whether it's gas, electric or hybrid, but we're never going to allow China to control the market for these cars," Biden said.

The president is also tripling the tariffs on Chinese steel and aluminum, and will also triple the tariffs on Chinese-made lithium-ion EV batteries to 25% this year.

Tariffs on Chinese-made solar cells are pegged to double this year to 50%, while the tariffs on Chinese-made semiconductors and lithium-ion batteries for non-EV uses are set for sharp increases in 2025.

Sprinkled throughout Biden's remarks were digs at Trump, who, he said, "promised increased American exports and boosted manufacturing."

"But he did neither," the president said. "He failed."

Trump tried to get a jump on Monday's announcement by vowing to put a "200% tax" on every car produced at plants China manufacturers are currently building in Mexico.

During a rally in New Jersey on Saturday, Trump also accused Biden of trying to co-opt the tariff-heavy trade policy he pursued while in the White House.

"Biden finally listened to me," Trump told a crowd of supporters and curiosity seekers in Wildwood, New Jersey. "He's about four years late."

On Tuesday, Biden largely ignored reporters' questions as he walked from the Rose Garden to the Oval Office.

His ears pricked up, however, when a reporter raised his voice above the others and asked what the president thought of Trump's claim that China is now "eating our lunch."

Biden turned, and with a wry smile said, "He's been feeding them for a long time."

Later, during a briefing with reporters, U.S. Trade Representative Katherine Tai reiterated the president's belief that "American workers and businesses can outrun anyone as long as the competition is fair."

"But for too long, the People's Republic of China has been playing by a different set of rules with unfair and anticompetitive economic practices.

"The president's actions today are part of his effort to rebuild our supply chains and our ability to make things here in America, to lower costs for American consumers, to out-compete the PRC, and to encourage the elimination of practices that undercut American workers and businesses," Tai said.

The U.S. Trade representative also emphasized that Tuesday's action is "not about escalation" of a trade war between the two nations.

"This is about the consequences of decades of economic policy that has been harmful to American consumers and businesses," she said.

Asked whether the United States will be taking steps to address the electric vehicles plants being built in Mexico, Tai said, "Today's action on tariffs is about imports from China.

"What you are talking about would be imports from Mexico, something that we are currently talking about with our industries, our workers and our partners. I would ask you to stay tuned," she said.

China's Commerce Ministry said Tuesday that the government firmly opposes Biden's new tariffs and that it would "take resolute measures to defend its own interests."

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