What to Expect in International Policy Under the Biden Administration

As the list of Cabinet-level nominees grows, the Chamber's work to engage the incoming administration is already well underway. While the Biden team has emphasized that pandemic relief will be its first priority, some foreign policy and international trade issues will be top-of-mind for Biden's newly assembled team.

Fortunately, a number of the president-elect's priorities dovetail with the Chamber's international objectives. Over the past year, Biden pledged to <u>revitalize American alliances</u>; end the "<u>artificial trade war</u>" on longstanding partners like Europe, Canada, Japan, and South Korea; and <u>reevaluate the tariffs</u> it rightly said were harming U.S. manufacturers, farmers, and families. The Biden team has also signaled it will recommit to multilateral approaches, including reengaging with the WHO and rejoining the Paris Agreement. Here's what we're expecting:

China as the focal point for U.S. foreign policy: President Biden will not scrap the Trump administration's tough stance on China, but is likely to balance engagement on global issues such as climate and financial stability against concerns around technology, national security, and human rights. The Chamber is focused on <u>securing the benefits</u> of January's trade deal and will advocate for further negotiations to achieve tariff relief and further structural reforms to China's unfair trade and industrial policies.

Trade talks on the back burner?: The Chamber is optimistic about the prospects for ongoing trade negotiations with the UK and Kenya, but the recent signing of the Regional Comprehensive Partnership Agreement (RCEP) by countries across the Asia-Pacific makes it clear that a <u>more</u> <u>ambitious regional approach</u> to trade is needed. The Biden administration will need to re-engage with partners across Asia to provide a level playing field for U.S. companies in the region.

Supply chains and "Buy American": The Biden team plans to conduct regular reviews of supply chain vulnerabilities and expand "Buy American" rules, which could <u>prove costly</u> if done in a way that elicits retaliation by our trade partners. The Chamber will advocate for an incentive-based approach to supply chain resiliency to avoid new trade barriers, foster geographic diversity, and reject broad-brush approaches to sectors with divergent realities.

Climate and sustainability at the forefront: Divided government may limit ambitions, but the Biden administration will put climate goals at the center of diplomacy. Look for climate provisions in trade agreements and increasing debate over border carbon adjustments, as well as <u>Chamber engagement</u> on environmental sustainability priorities at the UN, G20, and other global bodies.

Trade has always been one of the Chamber's top issues and engaging our global partners and allies has never been more critical. We are excited to get to work on this agenda and look forward to continued engagement with members on the opportunities and challenges ahead.

---Myron Brilliant, Executive Vice President and Head of International Affairs, U.S. Chamber of Commerce