Despite Heated Rhetoric, Trade Barriers Cooling

Trade barriers are back in the headlines, spurred in part by new Chinese <u>restrictions on food</u> imports.

Last week, Chinese customs officials began asking global meat and fruit exporters to certify that their products are COVID-19-free – despite the absence of any evidence linking food to transmission of the virus. The move comes just days after China barred imports from some meat producers in the United States, Germany, the United Kingdom and Brazil.

Regulatory agencies around the globe <u>pushed back</u>, emphasizing that "efforts to restrict global food exports... are not consistent with the known science of [COVID-19] transmission." The United States, Australia, and the European Commission have all issued strong protests, reflecting the reality that a lucrative and fast-growing market is at stake.

Despite this flareup, the trend lines on trade barriers have improved. The WTO reported this week that governments around the globe have repealed more than a third of the export restrictions introduced in the pandemic, most of which involved medical products or food. Governments have introduced an <u>unprecedented volume</u> of trade-enhancing policies, impacting over \$700 billion in goods.

By contrast, one administration official <u>told a congressional hearing</u> last week: "I'm not in favor of reducing tariffs on the things we need. I would be far more in favor of increasing tariffs on the things we need." Of course, Americans are the ones to pay these tariffs, which is just another word for taxes.

It's encouraging that the major economies have refrained from a full-throated embrace of protectionism. Still, we must remain vigilant. The United States recently marked the 90th anniversary of the disastrous Hawley-Smoot tariffs, which lengthened the Great Depression by crippling U.S. trade.

Let's not make the same mistake again.

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