

Biden vs. Trump: Indo-Pacific Trade Initiatives

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This is the first in a series of TAG memos contrasting the views of Joe Biden and Donald Trump that could most shape U.S. policy toward the Indo-Pacific region in 2025.

Key Takeaways

Policy	Trump	Biden
Bilateral Trade	<ul style="list-style-type: none"> Enjoys tête-à-tête talks Focus on deficit reduction China top priority, plus Japan 	<ul style="list-style-type: none"> Has avoided most initiatives Selected progressive issues for Taiwan discussion
Multilateral Trade	<ul style="list-style-type: none"> No programs in Trump 1.0 Anti-CPTPP, WTO skeptic 	<ul style="list-style-type: none"> Shunned CPTPP Launched IPEF but backed away from trade pillar

- Both Trump and Biden in 2025 are comfortable with high tariffs and export controls aimed at competing with China, but Biden has pushed for industrial subsidies more than Trump has. Both leaders are viewed as “protectionist” by Indo-Pacific policy leaders.
- Trump 1.0 had a strong preference for bilateral over multilateral approaches to trade deals aimed at supply chain restructuring. A second Trump administration would likely end Indo-Pacific Economic Framework for Prosperity (IPEF) talks while perhaps retaining some institutional vestiges.
- Trump has pledged to raise tariffs across the board but might end up focusing on China and resuming broad-based trade negotiations with Beijing. Some partner nations hope Biden 2.0 would revert to Obama market-opening approaches, but it is more likely that Biden will continue his free-trade avoidance.



The Candidates in Comparison

BILATERAL TRADE

Trump: During a second term, Trump may resume his adversarial trade posture and follow through on campaign promises to impose a major new round of tariffs – especially on imports from China. But he may also make attempts at bilateral negotiation initiatives with trade partners to facilitate market access for American firms. On the campaign trail, Trump has repeatedly stated that the United States should only engage in bilateral trade talks, pledging to impose a baseline 10 percent tariff on all imported goods and threatening to revoke China’s most favored nation (MFN) trade status in the spirit of “an eye for an eye, a tariff for a tariff.” Such an approach could trigger punitive reactions from trade partners and lead to further rearrangement of supply chains around China. During his first administration, Trump leveraged Section 301 executive authorities to initiate a tit-for-tat tariff war with China and impose high duties on European steel. Trump also concluded a handful of narrow bilateral agreements – such as agriculture and digital trade deals with Japan – and initiated a series of trade dialogues with India, Kenya, the United Kingdom, and the European Union (EU).

Biden: Overall, Biden’s “trade avoidance” approach has been aimed at domestic political goals – namely, reassuring union voters. If re-elected, a second Biden administration is likely to continue imposing selective barriers to trade and investment in the name of national security – while seeking more cooperation on “friend-shoring” and “ally-shoring” objectives to restructure supply chains away from China. During his first term, Biden jettisoned Trump’s openly adversarial rhetorical approach to trade, but maintained the Trump-imposed tariffs on steel, automobiles, and consumer goods – especially vis-à-vis Europe and China – and further supplemented them with restrictions on technology-sharing and data transfer. Biden aims to create “new and innovative trade arrangements with our allies and partners, enforc[e] existing ones, and brin[g] more diverse voices to the table... to drive inclusive economic growth.” Mindful of criticisms of protectionism, Biden also sought trade and investment dialogues with select Indo-Pacific partners – namely Taiwan and Vietnam – as part of his broader diversification strategy.

MULTILATERAL TRADE

Trump: During a second term, Trump is likely to jettison Biden’s IPEF as he believes that multilateral agreements weaken the nation’s bargaining power, and thus threaten the job security of American workers and undermine the competitiveness of key U.S. industries. On the campaign trail, Trump has called Biden’s trade cooperation with the Indo-Pacific “dead on arrival.” During his first term, Trump approached multilateral trade with vocal skepticism – if not outright contempt. Within three days of taking office, he signed an Executive Order to withdraw the



United States from the Trans-Pacific Partnership (TPP), which he denounced as “a bad, bad deal” and “a rape of our country.” In contrast, Trump renegotiated the North American Free Trade Agreement (NAFTA) rather than withdrawing, with the revised U.S.-Mexico-Canada Agreement (USMCA) receiving bipartisan support due to recognition of its status as a must-have pact for the United States. Trump’s approach to the World Trade Organization (WTO) was also highly antagonistic.

Biden: Some observers hope that a second term Biden administration – less beholden to union votes – will re-examine its aversion to multilateral trade deals, potentially resulting in a push for an IPEF trade pillar deal, a move toward (re)joining the CPTPP, or reconsideration of its approach to digital trade discussions under the WTO. In contrast to Trump, the Biden administration has, at least rhetorically, highlighted multilateral trade – particularly IPEF – as a vehicle for re-asserting Washington’s leadership over Indo-Pacific economic integration, contesting China’s influence, and re-organizing supply chains. While remaining mindful of domestic pressures, Biden has prioritized persuading regional allies and partners to adopt U.S.-preferred standards on sustainability, transparency, and accountability in exchange for economic benefits. While the Biden administration at the last minute withdrew from trade discussions under IPEF in late 2023, it nevertheless signaled its commitment to continue other parts of IPEF that focus on supply chain resilience and green energy investments. On balance, we expect that a second Biden administration might explore some initiatives on trade multilateralism, but the progressive wing of the Democratic Party will block Biden from making any bold moves such as joining the CPTPP.

This report was prepared by [Nick Ackert](#) and reviewed by [Amb. Kurt Tong](#) and [Valerie Rozman](#).

**This report was published prior to President Biden stepping down as the Democratic presidential candidate on July 21, 2024. A future Harris administration is likely to maintain the broad policy direction proposed by the Biden-Harris campaign.*