



United States Must Pursue Free Trade with Free Nations

Topline: As the United States wakes up to decades of Chinese trade abuse, policymakers need to balance newfound protectionist instincts with a recommitment to free trade *with free nations*.

- The U.S. must pursue comprehensive free trade agreements with allies around the world, especially those with whom the U.S. has military treaties (e.g., NATO, Taiwan, Japan, and Latin America).

Trump-Pence Corrected Course: In its dealings with China over the past decades, the U.S. was far too slow in learning that international trade has important national security implications.

- While in 2024, this insight is now almost unanimously held as self-evident (members from both political parties regularly talk about the need to counter China and diversify our supply chains), it took years of work by the Trump-Pence administration to establish this new consensus.
- Now we know: *no matter how much the U.S. opens itself up to trade with China, the Chinese Communist Party has no interest in conforming to the republican ideals of the American Revolution and the Western tradition.*

Protectionism and Free Trade, Together: Tariffs and protectionist policy, however, are not enough to stop China and other foreign adversaries of America.

- Through the Belt and Road Initiative, as well as other efforts like Huawei (a Chinese-owned business)'s attempt to infiltrate the United Kingdom's telecommunication networks, China is actively working to turn our allies against us. Not with military force but with 'trade.' If the U.S. is not vigilant in revitalizing these relationships, China may succeed.
- The U.S. must actively pursue free trade agreements with its national security partners.
- Canada is the only other NATO member (31 total) with which the U.S. has a free trade agreement.
 - Shamelessly, upon taking office, the Biden Administration shelved a on-going negotiation on a U.S. - U.K. trade deal started by the Trump-Pence Administration.
- The next administration should immediately restart these negotiations.

Protecting Our Own Backyard: The U.S. also has a similar collective defense agreement with many countries throughout Central and South America under the Rio Treaty.

- Here, in our own backyard, China is making some of its most concerning inroads through debt traps like the Belt and Road Initiative.
 - Debt traps are the international version of pay-day loans where China provides financing and infrastructure to a country that the country will never be able to pay it back, permanently indebting them to China.

Protecting Our Own Backyard, Continued:

- Rather than trying to beat China through massive foreign aid diplomacy, the U.S. should consider reducing the tariffs it imposes on treaty members (some of which are more severe than what the U.S. imposes on China).
- Following the election of ardent free-trader Javier Milei as president, the U.S. should also pursue a free trade agreement with Argentina, a fellow co-signer to the Rio Treaty.

Laying the Groundwork in Asia: While the U.S. has several collective defense agreements in the Pacific with countries critical to denying China's bid for regional hegemony (Taiwan, Japan, the Philippines), it lacks comprehensive free trade agreements with all of them.

- As the U.S. continues to deliberate over the appropriate level of armaments to send to Taiwan, and coordinate with Japan and the Philippines on preventing further acts of Chinese imperialism, the U.S. should also reduce the tariffs the U.S. imposes on imports from all three countries.
- If the U.S. cannot trust Taiwan (target number one for China), Japan (a robust partner since the end of World War II), and the Philippines (a former U.S. colony), the U.S. cannot trust anyone.