

*East Asia Hotspots - East Asia Hotspots - Arsenals in the U.S.-China Trade War: What's
Used and How
Transcription*

Richard Haddock:

Welcome to the East Asia hotspots podcast, where we invite you to join us for chats with experts and scholars from around the world to talk about contemporary issues in East Asia. I'm the lead facilitator, Richard Haddock with the George Washington university. Support of this podcast comes from the US department of education's Title VI grant for East Asian studies at the George Washington university's Elliott school of international affairs.

Richard Haddock:

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Richard Haddock:

Through these podcasts we want to encourage dialogue about diverse perspectives in East Asian studies. Check on our website at nrc.elliott.gwu.edu for all our podcast episodes and info about East Asian studies at the George Washington university. Now, let's start the conversation.

Speaker 2:

Welcome to the fifth episode of the hot spot minute podcast series in association with East Asian national resource center at the George Washington university, where we chat with expert on contemporary issues in East Asia.

Speaker 2:

This project is supported by the Title VI grant from the US department of education. Today's guest is professor Jan Bennet and we'll be talking about US/China trade war. Professor Bennett is the assistant director for the Paul and Marcia Whytes center on contemporary China. She most recently worked at the Princeton, Harvard, China in the world program at the Woodrow Wilson school of public and international affairs where she served as the assistant director from 2009 to 2015.

Speaker 2:

As a legal scholar, she has a number of publications on China's legal reform and on the rule of the law under the [sea 00:02:06] administration. Professor Bennett has a BA in political science and received an MA in international affairs from the [inaudible 00:02:14] school of the George Washington university.

Speaker 2:

East Asia Hotspots - East Asia Hotspots - Arsenals in the U.S.-China Trade War: What's Used and How
Transcription

She holds a JD and practices in the area of business and international law. Welcome to our podcast series and thank you so much for being here today, professor Bennet. I'm excited to hear your valuable insights on the US/China trade for our audience today.

Jan Bennet:

[Aika 00:02:32] , thank you for inviting me here today.

Speaker 2:

Thank you so much for coming. First of all, why are we having this trade war right now?

Jan Bennet:

Basically, it's because Trump has accused China of not playing fair in trade. But first I'd like to take two steps back to talk about trade and supply and demand. Going back to Adam Smith's supply and demand and the invisible hand, countries produce goods and services at which they excel, meaning that they produce goods more efficiently than other countries and at a lower price than their competitors.

Jan Bennet:

They in turn buy those products made more efficiently and at a better price than what can be made domestically in their own countries. That is why we buy tee-shirts from China and Vietnam because even with shipping costs, it costs less in those countries to make a tee shirt there than in the United States. Those countries have created a specialization in the textile industry. So they have the facilities, the equipment, the knowhow, and a trained labor force to make t-shirts.

Jan Bennet:

The US excels at producing agricultural products, for example. So we export those products because we're good at growing corn and raising pigs. The US also excels at what I call products of the mind, intellectual property. The US is very good at producing financial products like loan products and insurance for example, and also internet based products like Google, Facebook, Twitter, Microsoft. I know you don't normally think of these as products, but they produce something. These are all based on intellectual property.

Jan Bennet:

In this exchange of goods, going back to the whole supply and demand, in this exchange of goods countries will impose taxes on the export or import of these goods. We call these taxes either duties or tariffs. Sometimes we call them a customs tax. We also say that they can be a

East Asia Hotspots - East Asia Hotspots - Arsenals in the U.S.-China Trade War: What's Used and How
Transcription

levy. We have many words for the word tax. Basically it's a percentage of the value of the goods.

Jan Bennet:

In the case of export duties, let's say the US places a tax on corn that's exported to Canada. One, this helps raise revenue. It's expensive to administer international trade. You have to pay all those customs officials who process those shipments out of the country. Sometimes countries want to discourage export on some goods, perhaps to keep the goods themselves because it's a valuable commodity. Most countries generally do not impose import taxes because they want their domestic industries to sell their goods and make a profit, which then can be taxed by the IRS.

Jan Bennet:

In the event of import taxes, again, it's to raise revenue. However, sometimes taxes are levied for protectionist reasons, which leads me to my next point. Countries play dirty in trade through a number of ways. One way is to price goods way below their production value and below what other competitors are selling the same goods for. This is called dumping, i.e. dumping on the market really cheap goods at blow cost prices, below what it would cost to produce the good itself.

Jan Bennet:

Dumping can also mean flooding the market so that the price lowers. Basic law of supply is that if there is excess supply, demand lessons and prices go down. It's a way to favor domestic industries. In cases like China, it's with the hope that the domestic industries can drive their international competitors out of business and gain international market share.

Jan Bennet:

Sometimes governments will subsidize industries so that domestic suppliers can stay in business even if they aren't making a lot of money. You've probably heard that farmers are now being subsidized because of the trade war. I'll talk about that more later.

Jan Bennet:

There are other ways to place protections around industries. Countries with large economies, for example, review international mergers, ostensibly to ensure that the industry remains competitive and not monopolistic, meaning that one company dominates the market. Sometimes these large countries will block a merger for anti-competition reasons that the

*East Asia Hotspots - East Asia Hotspots - Arsenals in the U.S.-China Trade War: What's
Used and How
Transcription*

company will be too large and able to dictate to the market on prices, which is unfair to consumers.

Jan Bennet:

In other cases, the countries will place conditions on the merger so that the industry remains competitive. The United States, Japan, Germany, the UK, China, I think maybe France and Russia as well, they conduct these reviews. In China's case, however, it will review the merger's impact on its own domestic industries, not for anti-competition reasons, and block or condition a merger based on those interests.

Jan Bennet:

Getting back to other protectionist policies. A country can borrow the import of some goods by saying that the imported good doesn't meet a high enough standard so it can't be sold there. This happens a lot in the EU. They won't accept non-EU goods because they don't meet EU standards. Sometimes countries will impose import quotas, limiting the import of certain goods, and finally tariffs can also be used to make the imports so prohibitively expensive that consumers will turn to domestic suppliers whose prices are cheaper.

Jan Bennet:

All these practices are called protectionist policies or unfair trade practices because they interfere with free trade and distorts the market. In this current trade war, the Trump administration is using tariffs as a punitive measure against China because of its unfair trade practices and because of the large trade imbalance. The tariffs are to discourage the purchase of foreign goods from China with the hope that it will also spur a domestic manufacture of certain goods. This is our own form of protectionist policy.

Speaker 2:

Thank you so much for explaining about the trade war worldwide. So, specifically, what is going on with this US/China trade war right now?

Jan Bennet:

First, let me say this isn't the first time we've imposed tariffs on China. It is, however, the first time that we've imposed so many tariffs on so many products. Since China joined the WTO, the US has sued China a number of times for dumping and other unfair trade practices, and on specific products. I think the first time that it made major news was in 2002 when George W. Bush and number 43 imposed steel tariffs on China for the purpose of protecting the domestic steel industry in the US and to create more jobs.

*East Asia Hotspots - East Asia Hotspots - Arsenals in the U.S.-China Trade War: What's
Used and How
Transcription*

Jan Bennet:

I was a foreign service officer at the time and it was a little bit ironic. We had economic officer's demolishing the Chinese foreign ministry on it's not so free trade practices and Chinese officials would shoot back, well, but what about the steel tariff? They basically had no answer to that. It was our own protectionist policy.

Jan Bennet:

The Bush tariffs on steel products ranged from 8% to 30% but they were not directly targeted at China. All steel producing countries face these tariffs. Some countries were given exemptions. However, a couple of years into it, Bush was forced to rescind the tariffs due to international backlash and its economic impact on steel using industries. Studies have shown that the Bush tariffs raised the price of steel in the US and also cost more jobs than were saved. Because of the higher price of steel, about 200,000 jobs were lost in industries that use the metal in production; heavy equipment construction, aircraft building, the automobile industry versus saving the 197,000 jobs in the steel industry.

Jan Bennet:

The other news-making tariff imposition was during the Obama administration, 2009, for tires on light passenger vehicles. This is normal car tires, not big, big tires. These two were also very controversial. They didn't save a whole lot of jobs and ultimately raised prices on tires. A Peterson Institute study showed that the tire tariff cost American consumers \$1.1 billion. They were gradually reduced and eliminated by 2012. At that year's state of the union, Obama said that 1000 jobs were saved because of the tire tariffs. I think \$1.1 billion for a thousand jobs seems like a really bad deal. At that rate, we should just given the money to the workers.

Speaker 2:

I see. So why does the US currently target China to improve America's trade deficit?

Jan Bennet:

We target China because the trade deficit is just so large. China imports \$120 billion worth of goods from the United States, while we import close to \$530 billion from China, leaving about 400 billion in the so called trade deficit. This is 2018 numbers.

Jan Bennet:

Moving that closer to parity seems more fair. They buy more, we buy less, we produce more ourselves. It just seems more fair. However, we carry trade imbalances with many countries;

East Asia Hotspots - East Asia Hotspots - Arsenals in the U.S.-China Trade War: What's Used and How
Transcription

Canada, Mexico, Japan, the European union. So part of this drive to parody with China is that China is a so-called rising power that engages in unethical trade practices. I believe that this combination, a country that is a rival and doesn't play by the rules, makes China a very attractive target in a trade war.

Speaker 2:

I see. So how does the improving trade deficit impact the economy or society in the US? Like for example, increasing employment rate in the United States?

Jan Bennet:

So that's exactly right. That's what all the presidents who have imposed tariffs on China have said, bringing jobs back to the United States and save jobs in dying industries. With less competition, the domestic industries should rebound to become great again.

Jan Bennet:

In theory, this is supposed to work. In practice, however, the cost of the tariffs are passed onto the consumers who have to pay higher prices. Because imports are priced higher, then domestic producers take advantage of this and they also raise their own prices. In studies on both the Bush steel tariffs and the Obama tire tariffs, the tariffs didn't create new jobs, they just saved the ones that were existing and it cost our economy a whole lot more. \$1.1 billion, as I mentioned, for the tire tariffs and 200,000 jobs are lost in the steel related industries.

Speaker 2:

I see. I think you already mentioned about what happened 2018 briefly about showing the data, but can you specifically explain what happened in detail in 2018 and when all these announcements on tariffs came out?

Jan Bennet:

Sure. First I'd like to go back to the campaign trail in 2015, 2016. On the campaign trail, Trump made a lot of statements that China engaged in unfair trade practices and that if he became president, he would make China pay and play fair. He also made a lot of the large trade imbalance between the US and China, that China doesn't buy a lot of US goods and that the US buys a ton of Chinese goods.

Jan Bennet:

One of his campaign managers was Peter Navarro. Peter Navarro is the author of *Death by China*, written in 2011. In it, Navarro writes about the trade imbalance, that China is robbing

East Asia Hotspots - East Asia Hotspots - Arsenals in the U.S.-China Trade War: What's Used and How
Transcription

America of its manufacturing base and is a currency manipulator, everything that Trump accused China of during the 2016 campaign. And then Trump became president and he also appoints Peter Navarro to be director of the office of trade and manufacturing policy. The Trump administration has made statements that China's state led mercantilist approach to the economy harms global trade and violates free trade principles, and that the United States seeks a trade relationship with China that is fair, reciprocal and balanced.

Jan Bennet:

This statement is basically cribbed from Peter Navarro's book from 2011. Therefore in 2017 when Trump became president, Trump asked the department of commerce to investigate Chinese trade practices with regard to the steel and aluminum industries, and then asked the US trade representative to initiate an investigation into certain acts, policies and practices of the Chinese government relating to technology transfer, intellectual property and innovation.

Jan Bennet:

Both departments conducted their studies and then in 2018 China reaped the whirlwind on tariffs, okay? So first there was a tariff placed on consumer washing machines, not because of China, but actually because of surging imports from South Korea. China, however, is also an exporter of washing machines to the US so it was caught in this net. This tariff was imposed under section 201 of the 1974 trade act. At the same time, tariffs were imposed on solar panels, cells and modules, also under section 201, due to dumping from China, and I think also South Korea.

Jan Bennet:

Section 201 tariffs are called safeguard tariffs because other countries' straight practices cause substantial harm to the domestic industries, our domestic industries, and the tariff's purpose is to safeguard those industries. Pretty straight forward.

Jan Bennet:

In these two industries, domestic producers asked the US TR to investigate the unfair trade practices, not president Trump. And then the 201 tariffs replaced on the same day. Very soon after that, however, the US TR came out with its findings about the steel and aluminum industries and found that the import of those two metals threatened US national security. So the US imposes tariffs this time through section 232 of the trade expansion act of 1962, which allows imposition of tariffs due to national security reasons.

East Asia Hotspots - East Asia Hotspots - Arsenals in the U.S.-China Trade War: What's Used and How
Transcription

Jan Bennet:

Basically, the steel and aluminum imports were undermining domestic industries such that they threatened to shut down the remaining companies. Since both metals are needed for national defense, it became a national security issue, so you can follow that argument. This tax was also indiscriminate. It applied to all countries exporting steel to the United States, including our good ally and neighbor Canada, and a number of other allies.

Jan Bennet:

Right after that, the US TR came out with its report on its investigation on China's practices with regard to American intellectual property rights, innovation development. Now, this was the most complicated of the investigations and perhaps the most legitimate concern. The investigation found that Chinese practices encourage or require the transfer of American intellectual property to Chinese companies. The way that the US is punishing China for these acts is through section 301 of the US trade act of 1974, which "authorizes the president take all appropriate action including tariff based and non tariff based retaliation to obtain the removal of any act, policy or practice of a foreign government that violates an international trade agreement, or is unjustified, unreasonable or discriminatory and that burdens or restricts US commerce". So basically that's the 301 claim in a nutshell.

Jan Bennet:

So you have to ask, so what is China doing that burdens US commerce? So what China is doing is that if an American company wants to do business in China or sell its products in China, the American company has to form a joint venture with a Chinese company and hand over valuable information. So patents and copyrights are protected by law, but trade secrets such as industrial processes, secrets on chemical compounds or how to put together chemicals to form another compound.

Jan Bennet:

The formula for Coca-Cola is a trade secret and other proprietary information. This is what is being handed over in these joint ventures. The Chinese are then taking the information and profiting from it. This is done by contract. Contract law is a whole other subject, but basically if two parties contract to do certain things or hand over information, and both parties are in sound mind and they go into the relationship with eyes wide open, it's basically a legitimate deal.

Jan Bennet:

The Trump administration claims that the information is coerced. However, I'm of the mind that it's not. Companies handover proprietary information for good and valuable consideration, being

*East Asia Hotspots - East Asia Hotspots - Arsenals in the U.S.-China Trade War: What's
Used and How
Transcription*

able to do business in China or sell its goods there. They're making profit. It's not a gift that they give to China, and they have many, many lawyers looking over these contracts. I again, personally don't consider that these contracts to be one-sided or taking advantage of the US party.

Jan Bennet:

Another point in the 301 report that the US TR wrote, it claims that the Chinese government employees hackers to steal corporate secrets. This has some legitimacy. The Obama administration, I believe actually issued warrants on some hackers who were thought to be government or military employees of China. So there is some corporate theft of intellectual property that's going on. A bit of it is coerced. But to go back to the tariffs, with a section 301, the US is allowed to levy tariffs on a whole range of products in retaliation to these unfair trade practices.

Jan Bennet:

So, today there's been four trenches of 301 tariffs. The first was levied against \$34 billion worth of Chinese imports. The second was 16 billion, the third was 200 billion and the fourth was 300 billion. Some 1500 product lines have been affected by these tariffs. This basically accounts for all imports from China. I have to say in early 2018 I had clients, I'm a consultant to the financial industry, they were emailing me and asking me what's going on? There's all these tariffs on washing machines and solar panels and steel and aluminum. How do these all relate to each other? It was very confusing for everyone. So you know, it was like, what's going on here? You know, I looked into it. The first were kind of incidental, they just happened to be imposed right before the steel and aluminum tariffs. And then the section 301, which is the mother load of the tariff imposition started.

Jan Bennet:

Basically there were four separate actions that happened to occur within a few weeks of each other and affected the same country, China, in a very massive way. As you've probably noted in the media, not all the tariffs have been implemented exactly when they were announced. Trump has, what his kind of game plan is, he threatens to levy the tariffs. The governments make motions to negotiate, he puts a pause, they meet, they don't do anything. It's been tit for tat and cat and mouse for more than a year now.

Jan Bennet:

At the same time, China hasn't been standing idly by. It's issuing a number of retaliatory tariffs as well, but you have to remember the trade imbalance. There's only so much that they buy

*East Asia Hotspots - East Asia Hotspots - Arsenals in the U.S.-China Trade War: What's
Used and How
Transcription*

from the United States. In 2018 China imported \$120 billion worth of goods from the United States. That's all they can tax. The United States however, imported \$529 billion worth of goods from China. The fourth tranche, or some part of it, was just implemented. So now practically all goods from China bear some sort of tariff due to these four actions.

Speaker 2:

I see. So the United States is achieving their goals?

Jan Bennet:

I think it's too early to tell. It's only been a little over a year. We started this business to encourage and force China to play fair, to correct the trade imbalance, to stop the flow of intellectual property and restore America's manufacturing base.

Jan Bennet:

Right now I think it's too early to tell to say whether any of this has actually made China change its behavior. So far it's promised to buy more agricultural products, but no real movement has been made. It's all promises at this point.

Jan Bennet:

China has been opening markets. Insurance is an example of one that was recently opened to foreign companies. But China is a communist country, so it operates on five year plans. I think it's on its 17th or 15th five year plan right now. And it was due to the latest five year plan that it has decided to open some markets up to foreign companies. It's not because of the tariffs. Also too, there has been little to no movement to start manufacturing in the United States again, not that I'm aware of. So far I don't think we're achieving any of our goals.

Speaker 2:

Okay.

Jan Bennet:

But again, it's a little bit too early to tell.

Speaker 2:

Okay. So maybe it's a little bit hard to answer, like have a correct answer at this point? So, how do you think the trade war will evolve? Can you tell us in the short term and also in the long term?

*East Asia Hotspots - East Asia Hotspots - Arsenals in the U.S.-China Trade War: What's
Used and How
Transcription*

Jan Bennet:

So I think if Trump sticks to his guns, he can make China change its behavior with regard to opening up its markets to foreign companies and to allow sole ownership instead of joint ventures. Allowing sole ownership will stop the coerced IP, proprietary information sharing with Chinese companies. I think this is a long game however, years long. It's much longer than an election cycle so we'd have to put probably a decade into it to force China to change its behavior.

Jan Bennet:

Also too, China is worried about its own economy. Its economy is slowing down and it's highly dependent on US consumerism for its own economic wellbeing. If we can wait them out, I think we can achieve our goals. We have a huge economy. We're doing very well right now. Inflation is low and unemployment is low. Yet frankly speaking, we can afford to pay a little bit more. I don't like saying that, but that's true.

Jan Bennet:

China is also worried about social stability. When the iron rice bowl starts to give out and people start complaining, the Chinese government will have to do something, and I think it would be easier for China to give in if we can wait long enough, than for China to deal with social unrest that could potentially threaten the Chinese communist party's control. I think that's another subject though.

Jan Bennet:

Also too, I think Congress needs to play a role as well in making China change its behavior. There was a bill in 2018 that would have allowed CFIUS, the committee on foreign investment in the United States, to have a greater authority over these private contracts and to stop these so-called coerced IP transfers. That part of the bill didn't pass. I understand why though it didn't pass because it kind of violates some fundamental American principles about free trade and the freedom to contract.

Jan Bennet:

We're not the Chinese government and we shouldn't get into private business contracts. However, that doesn't mean CFIUS shouldn't have a broader purview. Right now it only can look through the lens of whether the investment would impact national security. I think it could be broader than that. Just looking at the news and what's going on, there's some motions to reach

East Asia Hotspots - East Asia Hotspots - Arsenals in the U.S.-China Trade War: What's Used and How
Transcription

a trade agreement in the next month or so, so I think that Trump is giving in due to upcoming campaign and reelection concerns.

Jan Bennet:

The trade war is affecting consumers and businesses alike. As I said before, farmers have been hit really hard. China buys a substantial amount of pork, wheat, corn, soybeans, as well as specialty foods and drink like lobster, whiskey and wine. That's part of the retaliation from China is that they're not buying our agricultural products. So we've been giving our farmers subsidies, but that doesn't play well politically because they look like government handouts.

Jan Bennet:

I've also heard on the news that the farmers are saying that once they lose their customer base in China, they're gone forever and they'll never recover from the loss. So I think we'll see when he starts hardcore campaigning in 2020 how the trade war will end up.

Speaker 2:

I was wondering what are some of the unforeseen consequences of the trade war?

Jan Bennet:

So what has been ironic, or rather unfortunate, is that US companies are getting it both ways. They're not only facing competition from Chinese companies, but they also are being hit with the tariffs.

Jan Bennet:

I should explain. China is a country that does a lot of component assemblage to make a finished product. Many of the components come from somewhere else, shipped to China where they are finished, and then shipped to the United States for sale. I'll use cell phones as an example. The screens are made in South Korea, the computer chips are made in Japan and the battery's made in Mexico. I'm making this up. All of this is then shipped to China to be finished. Now that it's a finished product as a cell phone, and if it's on that product list, that 301 product list, it's being taxed to be sold in the United States.

Jan Bennet:

Now here's the kicker, it's regardless of who actually owns the company. So many American companies do this. They have factories in China where they assemble the components and then ship the finish goods to the United States. So American companies are being affected by this tax that is an actuality supposed to punish the Chinese government. That was one of the

East Asia Hotspots - East Asia Hotspots - Arsenals in the U.S.-China Trade War: What's Used and How
Transcription

first things my clients asked me, whether a company ownership mattered? Because most of their clients are American but they do business in China. So I had to read the law, read the reports and know there is no such exclusion on ownership.

Jan Bennet:

So it seems to me that the Trump administration didn't take this into consideration when it levied the tariffs. But once the consequences were understood, the Trump administration came out and said, well, this is to encourage companies to shift production back to the US. I've been following industry news and moving supply chain isn't that easy. There was a belief early on that companies would actually move production to Southeast Asia rather than the US, it's closer to China, labor's cheap, but it turns out there's not hundreds of turnkey solutions in Vietnam and Cambodia. That means there are not hundreds of factories standing empty with an idle workforce just waiting to assemble cell phones or fire extinguishers. So what actually has to happen is that the countries need to build the factories, they have to train the labor forces, you need upper and middle management to manage all this. You need an army of lawyers to start buying property and purchase and import equipment and specialized machinery. So it's turning out not to be that easy.

Jan Bennet:

Again, as I mentioned before, there has been little to no movement on moving manufacturing back to the US, at least not that I've heard. Another perverse and unintended consequence of the tariff on steel is that Harley Davidson, a hundred percent true blue American company, moved all its manufacturing to Europe to avoid the steel tariff. So we lost jobs because of this. It's a little heartbreaking because Harley Davidson is an iconic American company and now it produces in Europe.

Speaker 2:

I see. So, I think this US and China trade war is not only the issue between the United States and China. So how does the US China trade war impact other countries regionally and also globally?

Jan Bennet:

So the tariffs aren't China specific, they also affect our allies. This doesn't play well geopolitically. We're alienating our friends, and also at the same time we're not damaging China as much as we want to.

Jan Bennet:

East Asia Hotspots - East Asia Hotspots - Arsenals in the U.S.-China Trade War: What's Used and How
Transcription

Global trade has slowed. US consumers and companies are bearing the brunt of the rise in prices. Certain countries like Mexico, Taiwan and Canada have benefited, but not the United States. We're not hurting China as much as we want to, other countries are benefiting from it, and manufacturing isn't coming back to the United States.

Speaker 2:

Oh, I see. So I want to ask, why does this topic matter for American students to learn?

Jan Bennet:

Regardless of what you want to go into as a career, you should be an informed citizen. You don't have to be an economist to understand trade. I just explained it in like two minutes. You should understand how trade works and know that tariffs generally don't work. It's so easy to listen to campaign rhetoric and get all fired up by it. But understand too the nuts and bolts of how all this works.

Jan Bennet:

I think if someone in the Trump administration had run an analysis on which companies rather than countries would be affected by the trade war, they might've tweaked the plan before implementing it. Their focus might've shifted to how do we specifically target China with minimal effect on American consumers and companies? The trade deficit writ large is a very attractive target, but when you realize that a lot of these goods are American owned but manufactured in China, I think that changes the analysis.

Jan Bennet:

Secondly, the purpose of the tariffs is to achieve a political aim, to make China play fair in trade. If the cost is higher prices for a prolonged period, but we can achieve this political aim if we stick with it, then maybe we should suffer through it to achieve a more equitable outcome in the long run. That is the cost of benefit analysis that should be taking place based on political rather than economic outcomes. If you read the New York Times, they concentrate mostly on the economic outcomes rather than the political. That's definitely not Trump's focus, it is to achieve economic outcomes.

Jan Bennet:

Also, I think in learning about this, you should understand we're no longer very good at manufacturing basic stuff like shoes and clothes and knickknacks that China makes. We're really good at providing services, specialized products and intellectual property. If you look at the businesses spawned by the financial service industry, you look at the number of banking

East Asia Hotspots - East Asia Hotspots - Arsenals in the U.S.-China Trade War: What's Used and How
Transcription

services that the United States provides. You look at the internet, which is an industry, we have literally tens of thousands of computer programmers and statisticians coding and developing products for the internet and developing algorithms to make better search engines and better financial products.

Jan Bennet:

It's really easy to buy something on Amazon and to use Google. These are American companies and their products are wholly produced in the US, but they don't count because they're kind of services and intellectual property. It's just a bunch of people at computers typing away. We also have scientists developing patents, drugs, all sorts of specialized intellectual property and we do this much better than make tee-shirts and shoes.

Jan Bennet:

So you go back to Adam Smith, free trades, blind band. This is what we're good at. That's what we should do. Also, I should mention that China makes a lot of chemicals and manufacturers a bunch of stuff that creates a lot of pollution. That's why it's so polluted in China. As an example, the manufacture of blue jeans is incredibly dirty. And people in villages that have jean or denim factories, they have silicates in their lungs from the processing of the denim. There's a phrase "not in my backyard", so, not in my backyard. Give me my cheap products and my fast internet and allow me to teach college students and administer a center that fosters research and the development of knowledge.

Jan Bennet:

So, I live in a college town and practically everyone around me is involved in the new economy. We don't manufacture anything, we just provide highly specialized services or we create intellectual property.

Speaker 2:

Thank you so much. So as you're an expert in this field and all the listeners are high school students or the teachers, so what resources would you suggest for teachers to use in their classrooms for this topic? Or if the students who wants to learn more about this topic, are there good resources for them?

Jan Bennet:

Yes, there's a number of good resources. I think the Wall Street Journal is a really good one. The Financial Times and The Economist also very good. The New York Times, I think it has a good timeline on the tariffs, although I don't know if they still have it up. I haven't looked at it in a

East Asia Hotspots - East Asia Hotspots - Arsenals in the U.S.-China Trade War: What's Used and How
Transcription

while. However, I think the New York Times is pretty biased against Trump, so all of it's reporting about the trade war is very slanted because they don't like Trump. That's my personal opinion, not that of the government or Princeton university.

Jan Bennet:

The Peterson Institute also has some good resources. Also too, everything I learned about economics, I learned in survey courses on micro and macro economics. So you don't have to be a math whiz to understand economics. If you can find a good textbook or an online [muke 00:33:02] on these subjects that paints a broad outline, you can get a feel for it and understand it.

Jan Bennet:

Also, government sources on the specific issues are good. The US TR has all their reports online. I don't find them too difficult to read. Okay, I do hold three degrees, but I didn't find them too difficult to read, and they explain in good detail the law, the violations and the specific actions that have been taken. There's also a publication service called the congressional research service that produces reports for Congress. I feel they're very well researched and fairly objective despite being for Congress.

Jan Bennet:

And I say, read the law as well. You know, you don't have to be a lawyer to read the law, so don't take someone's word for what the law says. All federal law is online. Just don't pretend to be a lawyer, that's going to get you in trouble.

Speaker 2:

Okay. Thank you so much professor for the input on US/China trade issue, the contemporary issue, and also providing us a very valuable information about the resources. So this is going to be the final question. So are there any final words for the listener of this podcast?

Jan Bennet:

So one, I hope you got something out of this and you have a better sense of the trade war. This is a little bit non-related, but also I think you should learn a hard language like Chinese or Arabic or Russian as early as you can. So I feel like language acquisition is so much easier when you're young. I learned Mandarin in college and it's been an uphill struggle ever since.

*East Asia Hotspots - East Asia Hotspots - Arsenals in the U.S.-China Trade War: What's
Used and How
Transcription*

Jan Bennet:

I only mention this because we have a real need for government analysts who can speak and read these languages. You're practically guaranteed a job once you learn these languages. With that, I'd just like to say thank you for having me. I really enjoyed it.

Speaker 2:

Okay. Thank you so much for being here today, professor Bennet and I believe we were able to deepen our understanding of US/China trade war today, so I really appreciate it. Thank you so much for coming today. And thank you so much for listening today for the listener and see you on the next podcast.

Richard Haddock:

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Richard Haddock:

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