

May 9, 2022

The Honorable Katherine Tai
U.S. Trade Representative
Office of the United State Trade Representative
600 17th Street NW
Washington, D.C. 20508

Dear Ambassador Tai,

I write with concern about recent comments from Biden Administration officials that indicate a desire to cut tariffs on goods imported from China. I urge you to reject this misguided policy proposal. I further write to inquire about the status of a new Section 301 investigation into the malicious economic practices deployed by the Chinese Communist Party, which harm American workers and industry and must be combatted with the full weight of your office.

Following an investigation conducted under Section 301 of the Trade Act of 1974, the Trump Administration documented what many Americans have long known: China repeatedly violates the rules of international trade and unapologetically steals and cheats in its economic relationship with the United States. Pursuant to the findings of the investigation, the Trump Administration levied tariffs on a broad basket of Chinese goods. The objective of these tariffs was to recalibrate the nation's bilateral trading relationship with our primary economic competitor, and to level the playing field for American workers and communities which have long suffered from unfair practices perpetrated by China after its accession to the World Trade Organization in 2001.

Tariffs on Chinese goods enjoy broad support among the American people. Unfortunately, certain officials within the Biden Administration seem to disfavor them, and have, in recent weeks, suggested they be cut. Deputy National Security Adviser Daleep Singh has said that tariffs on consumer goods from China "serve no strategic purpose."¹ In addition, Treasury Secretary Janet Yellen, a longtime critic of using tariffs to rebalance our trading relationship with China, has said that scaling back tariffs on Chinese goods is "worth considering."²

Tariffs on Chinese goods are important tools our nation must use as part of a long-term strategy in its geoeconomic competition with China. I therefore urge you in the strongest possible terms to use your influence within the Biden Administration to reject the short-

¹ <https://insidetrade.com/daily-news/nsc-official-china-tariffs-should-be-adjusted-fit-strategic-priorities-%C2%A0>

² <https://insidetrade.com/trade/yellen-administration-re-evaluating-trump-era-tariffs-chinese-goods>

sighted position advocated by your colleagues. As you told Congress earlier this year,³ cutting tariffs would relinquish leverage at the negotiating table with China—leverage you must maintain and fully deploy, especially after China’s failure to abide by the purchase agreements it made under the Phase One trade deal. To cut tariffs at this juncture would be a strategic blunder. Not only would it reward China for its latest act of deceit, but it would give them a green light to do so again in the future.

In addition to maintaining the existing tariffs on Chinese goods, I further write to inquire about the status of a new Section 301 investigation into China’s economic practices, which includes state-directed industrial subsidies in strategically important sectors which unfairly benefit Chinese firms and degrade their American competitors. The possibility of such an investigation has been reported since at least September 2021.⁴ However, as of yet, your office has failed to act. This is unacceptable. The longer you wait to investigate and address these practices, the more damage will be done to American workers and industry. You must act with haste.

I request your written responses to the following questions no later than May 16, 2022:

1. Do you plan to reduce Section 301 tariffs on goods imported from China? If so, please explain how doing so will strengthen the United States’ long-term position in its geoeconomic competition with China.
2. Would reducing Section 301 tariffs on goods imported from China increase or decrease our nation’s trade deficit with China?
3. Why have you delayed a new Section 301 investigation into China’s economic practices, and when do you plan to initiate it?

Sincerely,

A handwritten signature in black ink, appearing to read "Josh Hawley". The signature is fluid and cursive, with a large loop at the end.

Josh Hawley
United States Senator

³ <https://www.politico.com/newsletters/weekly-trade/2022/04/25/tariff-intrigue-piques-as-china-bill-conference-approaches-00027435>; <https://waysandmeans.house.gov/legislation/hearings/biden-administration-s-2022-trade-policy-agenda>

⁴ <https://www.wsj.com/articles/biden-administration-takes-aim-at-chinas-industrial-subsidies-11631295257>