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Biden Administration Says China Failed Trade Commitments on Multiple Fronts

In a new report, the administration detailed China's violations of promises made both to the World Trade Organization and under a 2020 trade deal with the U.S.



By Ana Swanson

WASHINGTON — The Biden administration criticized China **in a new report** released Wednesday for failing to uphold a wide range of trade commitments, including promises it made when it joined the World Trade Organization in 2001 and others in a trade deal signed with the Trump administration in 2020.

In its **annual assessment of China's compliance with its obligations to the W.T.O., the Office of the United States Trade Representative** excoriated the Chinese government for flouting the global trade body's rules and its transparent, market-oriented approach. Instead, China expanded its state-led approach to its economy and trade, causing serious harm to workers and businesses around the world, particularly in industries targeted by its industrial plans, Katherine Tai, the U.S. trade representative, said in a statement.

“China has not moved to embrace the market-oriented principles on which the W.T.O. and its rules are based, despite the representations that it made when it joined 20 years ago,” Ms. Tai said.

The report also **criticized the trade deal signed by the Trump administration**, in one of the first written assessments the Biden

The Biden administration has said it intends to hold China to the terms of that agreement, while also calling for a different approach to trade. But it has not clarified just how assertively it would enforce a deal it has described as fundamentally flawed.

The report said that the deal had failed to address the most fundamental concerns the United States had with China's approach to trade, and that the United States had serious concerns with China's follow-through on several of its commitments. Those included pledges to purchase U.S. goods and services, as well as promised reforms related to agriculture, particularly biotechnology, and an assessment China promised to conduct on the use in swine and cattle of ractopamine, a feed additive widely used in the United States that Beijing has banned.

The United States has raised concerns about China's progress during regular meetings between officials at various levels of government, the report said.

Data released this month showed that China fell far short of satisfying commitments it had made in the trade deal signed with the Trump administration to purchase an additional \$200 billion of goods and services by the end of last year. The Biden administration said its patience with China was wearing thin, but it has not yet clarified what action, if any, it would take in response.

The report **echoed many of the criticisms of China issued under the prior administration**, including spelling out the World Trade Organization's shortcomings in disciplining China's trade violations and calling for measures to take on China outside the organization.

But the report also appeared to take issue with the Trump administration's attempt to decouple from China, arguing that the United States needed to invest in American workers and infrastructure to compete with China in an integrated global economy.

"We cannot build a wall between the United States and China and assume that it will address the problems posed by China," the report said.

Beyond efforts at the World Trade Organization, the United States was pursuing several strategies to hold China to account, the report said. They included bilateral dialogues with China, including over its progress toward the commitments of the 2020 trade deal; cooperation with allies like Japan and Europe; and efforts to repurpose and expand domestic trade tools, like using tariffs to encourage companies to reduce their carbon emissions.

"It is also apparent that existing trade tools need to be strengthened, and new trade tools need to be forged," the report said. "China pursues unfair policies and practices that were not contemplated when many of the U.S. trade statutes were drafted decades ago, and we are therefore exploring ways in which to update our trade tools to counter them."