

China Fires Back at U.S. on Trade, Challenging Tariffs

*Beijing files petition with World Trade Organization, arguing tariffs
“are not consistent” with international rules.*

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WASHINGTON—China is showing a willingness to push back against mounting trade pressure from the Trump administration, filing challenges to new U.S. tariffs on solar panels and washing machines at the World Trade Organization.

The petitions submitted to the global commerce arbiter on Tuesday argue that the tariffs “are not consistent” with international rules, and seek compensation from Washington.

The petitions follow an announcement on Sunday by the Chinese Commerce Ministry that it was investigating American exporters of sorghum for allegedly “dumping” the grain below cost, aided by improper U.S. government subsidies, into the Chinese market. The probe could result in duties being imposed to block the U.S. product.

The Trump administration has been debating adopting a tougher trade policy against China, possibly including **broad tariffs and investment restrictions**. The measures are being considered as part of a probe into widespread complaints that the Chinese government forces U.S. companies to turn over **valuable intellectual property** as the price for entering their market “These practices by the Chinese are estimated to cost the United States billions of dollars each year,” the White House said in a recent statement.

A spokeswoman for Mr. Trump’s U.S. trade representative declined to comment on the China WTO filing.

The Chinese submissions in Geneva, headquarters of the WTO, were prompted by President Donald Trump’s decision last month to slap new import limits on solar panels and washing machines, in response to requests from domestic producers seeking relief from a surge in cheap Asian imports. China is a major solar panel exporter.

In imposing the limits, the administration invoked a rarely used trade law that allows a president to try to protect U.S. industries claiming significant injury from foreign competition, without having to show foreign companies broke any rules. One reason that law has been ignored in recent years is that virtually every attempt to apply it in the late 1990s and early 2000s was deemed improper when challenged at the WTO

While the Chinese petition is a clear challenge to the Trump administration's newly aggressive approach to trade policy, it is still many steps removed from the retaliatory trade war many businesses fear.

Under the WTO process, China has requested "consultations" with the U.S. to begin no later than next Monday. If the two sides can't resolve the matter to Beijing's satisfaction within 30 days of such discussions, the Chinese government has, under WTO rules, the right to file retaliatory sanctions—but must wait three years before implementing them.

Still, the Chinese move is an escalation of an increasingly tense trade diplomacy surrounding President Trump's "America First" policies. Many U.S. trading partners say they share Mr. Trump's concerns about Chinese trade practices, and would like to join forces with Washington to challenge them.

But those same countries are also nervous about Mr. Trump's complaints about the global trading system, his attacks on countries other than China, and his regular charges that the WTO may not be the proper forum for arbitrating commercial disputes.

Chinese President Xi Jinping has tried to position himself as the new guardian of globalization to counter Mr. Trump's policies. And China's WTO filings place it on the same side of the dispute as two U.S. allies—South Korea and Taiwan—that filed similar petitions over the past two weeks challenging the legality of the new tariffs.