I. Ilyin[1]

US Trade Policy: "Big Deal" and NAFTA Renegotiation within D. Trump's "America First" Strategy

The scope of the paper is limited to several aspects of modern US trade policy in the framework of the 'America First' Strategy. Due to the emission of dollars, the United States have always been the world hegemon in international trade, but in today's conditions of close competition with China, the country needs to find a new approach to maintaining its global leadership. Donald Trump has proposed new influence options that will help the United States to retain its leadership, including many protectionist measures such as fiscal reflation and deregulation of the financial and real sectors. However, Trumponomics is a course towards resetting globalization policy which is rather habitual for the US. Such a course raises questions regarding the future of regional associations such as NAFTA (USMCA).

Key words: *United States*, *China*, *trumponomics*, *reflation*, *trade policy*, *NAFTA*, *USMCA*.

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Introduction. The U.S. Dollar's Role in the American Economic and Political Worldwide Hegemony

American trade policy in its interrelationships with other countries has always relied on its own power pushed by the hegemony of dollar, which has become the global accounting currency. The dominance of the United States is primarily due to the fact that the world economy was in complete breakdown after the end of World War II. Almost all participants suffered huge losses in all areas, and only America was able to emerge from the war as a world power with a significant profit. This political and economic landscape gave a legitimate tool for building the future world order in the White House administration's vision [1].

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[1] *Ilya E. Ilyin — Graduate, Donetsk National University, Donetsk, Ukraine. E-mail: 04ilyin01@gmail.com*

To confirm this thesis, we can note that the American establishment had three institutionalized sources of income (business, tax revenue, and dollar emission), in contrast to all other national elites, which had only two sources (business and tax revenue). Accumulated earnings over the years from the additional channel led to widespread American dominance in the world economy and allowed to dictate to partners new trade rules. The first source of income was and remains business of both national and transnational formats. The production of American goods, especially of the military-industrial complex, has always been in demand in the market, partly because the country imposed them on its trading partners owing to their full economic dependence on the United States.

In practice, such approach was reflected in the implementation of the Marshall plan, which initiated control over the actions of the leading Western European powers and their falling under the sphere of influence of America. Then it seemed to be a beneficial deal for both sides: Europe got American money and the American elite obtained the right to provide its interests in the Old World. Accumulations from the second source are also traditional. They consist of taxation of companies and citizens, as well as state and municipal fees, from which state budgets are formed.

The third channel of American income is composed of national currency emission and all financial instruments derived from it. Paradoxically, this largest source of funds to the U.S. budget brings the country the greatest number of problems at the current stage of economic development. In the post-war period, dollar provided for the maintenance of gold reserves, then the production and sale of oil, commodities, debt loans, obligations, holdings, and derivatives.

The Bretton Woods system placed dollar in a rigid framework of the gold standard, thereby fundamentally hindering the growth of corporate profits in the financial sector, which by the end of the 70s began to turn into transnational form. Now, when dollar is used in every segment of the world economy and in many financial and trade transactions, it becomes absolutely unreasonable to issue new bills, since they only increase the budget deficit and inflate the stock market bubble. On this backdrop, Trump's sharp turn in the vision of the American economy became a kind of antagonism to the ideas that developed in the country in the 90s after the collapse of the Soviet Union and the end of the Cold War.

The United States remained to be the only superpower and needed a new concept to support its status. In the early 1990s, the American elite adopted globalization as the main idea, neo-conservatism was taken as a basis of philosophical and ideological thinking, aimed at using all available military and economic resources to establish global American superiority and maintain its position as a world hegemon. Neoliberalism also gained popularity, through which TNCs and other financial institutions got into its hands effective levers of control. It allowed them to introduce its own terms into the world market, as well as use production facilities and cross-border trade to lobby interests.

The U.S. economy is post-industrial, so its components — finances, information technology and services, the usage of advanced technologies with the introduction of intellectual property — allow to create a stable reserve of resources and capital in case of risks on stock exchanges. On the one hand, such approach has caused the transfer of heavy industrial production to the territories of developing countries, where it is more profitable to exploit low-cost local labor and raw materials produced in the same countries. On the other hand, this economic policy has led to tax dodging by American TNCs. It apparently damages the Department of the Treasury, since taxes bypass the treasury to tax heaven accounts in other countries. According to estimates of experts from the Institute on Taxation and Economic Policy, by the end of 2017, American TNCs had hidden about 2.7 trillion U.S. dollars in offshores, which corresponds to 13.9% of the U.S. GDP [2].

Against the background of current crisis of the capitalist system, in the near future the US will have to restructure its economy in order to find new sources of income that will prolong the life of the American world hegemony "for a little while longer". In addition, it is very important to ensure the stability of getting profit from the first two channels and support American TNCs as the main allies in the trade war with China. One of these ways can be used to replace dollar emission by the trade of intellectual property, which is increasingly influencing the processes of globalization. In this regard, the Chinese policy may serve as a model because it is rapidly increasing its economic power, largely due to close internal cooperation with local producers. It resorts to the practice of attracting foreign personnel and providing them with necessary base for creating intellectual property.

Trumponomics, "Big Deal" and Reconsidering International Trade Rules

Having come to the power, Trump realized that the formation and application of "Big Deal" approach should be one of the key-stone components in the implementation of the global project America First [3]. One of the objectives of this policy is aimed at regulating economic relations between the government and corporations, and building a common position on the world market in the conditions of the dominance of American TNCs over their developing competitors from China, Russia and the EU. In this aspect, it is important for the United States to get ahead of its rivals, who are seizing regional markets for products under the auspices of participation in regional intergovernmental organizations. Additionally, some American sectors of economy depend on imports of goods from NAFTA member-states (Canada and Mexico), as well as the European Union and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). In this vein, the use of protectionist measures seems to be relevant, what implies state intervention in economy and establishment of control over the external market [4].

Another aim of "Big Deal" is the implementation of the U.S. global interests under the guise of solutions to regional problems with the help of other states that allegedly have similar interests, but, in fact, are forced to act under the dictates of American protectionism. A vivid example of this approach in making foreign policy was the statement of top officials about the readiness of the United States to authorize one billion U.S. dollars for financing the European energy projects. The European Energy Security and Diversification Act by congressmen K. Murphy and R. Johnson is aimed at "combating malign Russian influence and create economic opportunities at home and abroad" [5].

Providing regular financial support in energy industry has a hidden reason. America does everything possible to prevent the convergence of certain European countries with Russia on the construction of the Nord Stream 2. If the project is successful, the Russian Gazprom Corporation will get a de facto monopoly on gas supplies to Europe, which will leave American TNCs out of the deal. Germany has a clear position of support for the Russian Federation on this issue, that makes the U.S. encourage Poland, for which opposition to its continental neighbor is considered to be a national duty. In July 2018 Donald trump said: "What good is NATO if Germany is paying Russia billions of dollars for gas and energy? Why are there only 5 out of 29 countries that have met their commitment? The U.S. is paying for Europe's protection, then loses billions on trade. Must pay 2% of GDP immediately, not by 2025 [6]". This appeal means that America has intentions to force the EU member-states to pay for the deployment and upkeep of American troops on the territory of Europe from the pockets of their own taxpayers. Such statements further confirm the traditional U.S. approach to relations from the position of "dominion-satellite".

In the interview for TVP1, the former Polish Minister of Defence Antoni Maceriewicz described the current circumstances as follows: "Today we have a situation where Germany is pursuing a policy of rapprochement with Russia, and they together want to tighten the noose around our neck by the Nord Stream 2. They want to strangle both Poland and Central Europe and make them forever dependent on their economic and political power" [7]. He also stressed that the only ones who provide support to the Poles in this matter are the United States, and therefore it is extremely essential for Warsaw to maintain the favor of the White House. At the same time, he criticized the position of Open Society Institute, noting that "Open Society Institute is the center which clearly and directly acts against these main objectives of Polish foreign policy in the issue of cooperation with America" [7]. Such a statement returns to the first point of "Big Deal", pointing to the disunity in the actions of the official U.S. administration and its corporations. Consensus searching in the general paradigm of these relations poses a priority challenge to Trump on the way to implementing his foreign policy concept.

President Trump's revolutionary "Big Deal" approach is represented in building interaction with each trading partner on the basis of bilateral relations, where the U.S. must necessarily be the leader. Such deals should stipulate the economic and political conditions for cooperation between the two countries in a much broader (i.e. global) format. They are conditions for the access of commodities to the markets of the parties, visa regime, military-political cooperation, etc. Trump's criticism of the liberal globalists is related to the fact that they did not cope with such tasks during their time in power. The entire military and political arsenal of America and its colossal resources were spent on senseless wars and bloody revolutions, as a result of which the United States received only losses, increase in the budget deficit, stratospheric external debt and decline in its geopolitical influence.

Since now, the USA have only the first two sources of institutional income, and one of them is business, which is in a deep crisis, the role of the second state source of funds is sharply strengthening. The system of economic and trade approach to exporters which want to have access to the domestic American market is quite strict: customs duties and fees must be paid by all bar none, moreover, there must be a "big deal" with America. If a state does not accept those conditions, its access to the market is cut off, the credit rating slides, and, in the end, it becomes a trading "pariah".

The trade framework that Donald Trump is trying hard to arrange looks like a return to the model of business relations at least of the end of the twentieth century. At the same time, it is an attempt to create an outright economical neocolonialism with official metropolis in the face of the United States. In the political elites and leading media in the West, the election of Donald Trump as the President of the most powerful world actor provoked an extremely furious reaction. The main reason was that the billionaire's electoral program was perceived as a nationalistic alternative to the modern global project, since it contained a number of provisions that went against the rules and norms of behavior in the system of world economic relations.

In other words, Trump set a course for "rebooting" of globalization, with all ambiguous consequences arising from this. It is worth emphasizing that it is not argued about total rejection of globalization processes as such. The consolidation of world economic relations on a modern technical, technological and information basis are ongoing. This refers to disapproval of "unfair" globalization, which was symbolized by the Reagan-Thatcher tandem, and which led to the deepening of social inequality and cross-country disparities. In this context, the phenomenon of "Trumponomics" is an evidence of the failure of globalization, tailored to the patterns of the "Washington Consensus". The head of the White House proclaimed a policy of deregulation of the financial sector and enterprises of the real economy. This line provides for the abolition of restrictions on the production and export of hydrocarbons, and the weakening of requirements for environmental protection [8].

For better understanding, the term "Trumponomics" does not form a new economic method. It is a nationalistic approach for removing barriers inside and supporting domestic producers from outside influences. The truth is that President Trump's economic policy is what America needs today. They want to bring their industry, jobs, and wealth home again. In this way, "Trumponomics" is a combination of economic protectionism, infrastructure investments and cutting taxes and regulations. Analyzing more specifically the main points of the economic policy of the Trump administration we ought to highlight the following objectives:

- determination to renegotiate the rules of the global trade and harsh criticism of globalization as the cause of the crisis of entire sectors of the U.S. manufacturing industry and the local labor market;
- intention to review the policy of Barack Obama aimed at expanding free trade zones and forming interregional integration associations as not corresponding to the strategic trade and economic interests of the United States;
- unilateral introduction of protectionist barriers to imports of goods that create competition for American producers, and, as a result, the threat of violating the principles of the World Trade Organization;
- aspiration to strengthen the U.S. currency, which will lead to an increase in the cost of debts accumulated by developing countries and estimated at 3.2 trillion U.S. dollars that can cause aggravation of international financial risks.

These and other plans of the American leader, which experts and analysts christened "Trumponomics" by analogy with "Reaganomics", are considered to be undermining the process of globalization in its current form and transferring the U.S. economy to the rails of protectionism. Also, there are concerns that the torpedoing of new projects like the TPP will not only harm international trade, but drive up a global recession. Thus, "the Black Swan" — a largely unexpected phenomenon with difficult to predict cross-border consequences — may well become the corollary of the Trump administration macroeconomic policy [9].

Pax Americana Reloading: NAFTA Renegotiation in the Context of Trump's Economic Program

The United States have been long seeking to promote a rules-based international order in which they play a leading role, primarily by involving other partners in the multilateral institutions. In keeping with his America First vision, Trump has raised questions about the value of these institutions on several occasions, especially in the economic sphere. He considered them not as tools of providing American influence, but as "bad deals" that curtail Washington's freedom of action, undermine sovereignty, and harm the U.S. economy [10].

In summer 2016, when the presidential race was churning, then Republican candidate Donald Trump spared no criticism of NAFTA trade agreement with neighboring Canada and Mexico, calling it a "one-sided deal" that accounted for 60 billion U.S. dollars trade deficit. As an instance he mentioned Carrier Corporation, which is headquartered in Farmington, Connecticut: "If they are going to lay off all the staff, move the plant to Mexico, assemble air conditioners there and still plan to sell these air conditioners in the US, then there will be taxes" [11]. This company intended to move part of its industrial facilities to the territory of Mexico to "expand the regional network", and through this process to receive a tax credit of 7 million U.S. dollars.

Trump was acutely aware of the scenario and intent of such practices. By moving operations to other countries, companies tried to optimize production costs and reduce labor input, the cost of which in the U.S. is much higher than in Mexico. They wanted to produce cheaper goods and gain a competitive edge in the domestic market. As a result, the number of jobs at factories in Mexico was growing rapidly, while in the United States it was decreasing.

The relevancy of NAFTA renegotiation also has some political dimensions. At the beginning of unification of the countries of the North American continent, all outstanding issues over free trade were resolved at the highest level. Such success was welcome as by political as by economic elites which acted in a coherent manner. However, recent trends indicate an aggravation of contradictions between the private interests of the American establishment and big business.

Trump's economic program is based on the application of fiscal reflation. This is a set of measures aimed at increasing domestic production through government stimulus to the economy. The program is implemented on the basis of a new fiscal policy, which is called the Tax Cuts and Jobs Act (TCJA), adopted in December 2017, as one of the points of the declared America First strategy. Other key elements are introduction of a disciplined monetary policy of the U.S. Federal Reserve, reduction of the trade deficit and return of capital withdrawn by TNCs to offshore companies. The main objective of America First policy is to find the necessary levers of influence that will help to keep its leadership in the world market in an era of global competition on the part of China, India, Russia and other powers. Systematically wrong economic policies, pursued by the American leaderships in the period after the end of the Cold war, led to the rising of producer countries which compete with America in various industries [2].

There is a number of countries, such as Germany or Japan, that are close to leading positions in the automotive industry. China, with its rapid economic growth, has long been ranked first in terms of production in the industrial, scientific and technical, textile and high-tech sectors. In this regard, there is much concern about maintaining strategic control over technology and intellectual property for modern corporate America. Thus, the returning of moved industry and lines of production, as well as capital and resources, including basic ones as energy and raw materials, to the USA territory are crucial issues on the agenda.

Protectionism is known to be one of the most prevalent and effective tools of economic pressure on competitors, which can be used by the U.S. presidential administration to implement its intentions. The aims of such a policy are growth of gross national income, reduction of the trade deficit and creation of employment.

Foreign direct investments make a big contribution to the economic activities of the U.S. entities and multinational corporations. They have been the basis of their strategies since the 1980s, when the Jamaica monetary system replaced the Bretton Woods system. With the help of these financial instruments, American corporations managed to maintain the profitability of production in the conditions of competition with foreign partners. On the other hand, such developments have led to a serious deindustrialization of the country [12] (see Fig. 1).

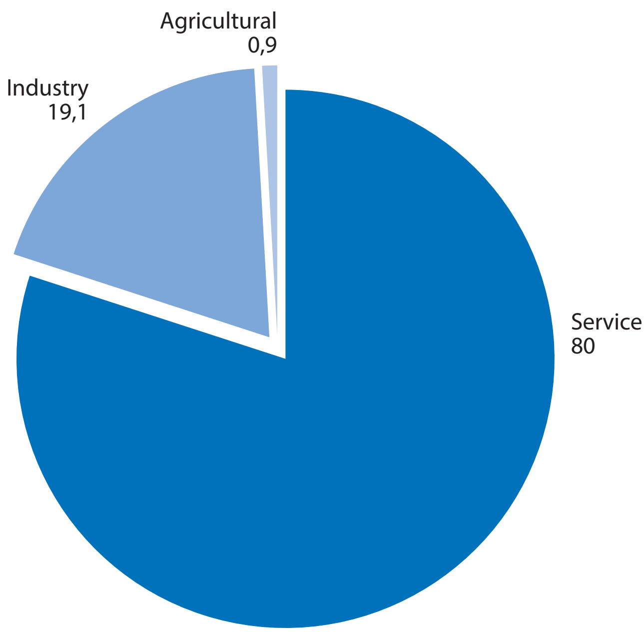


Fig. 1. The U.S. GDP composition, %

Source: The CIA World Factbook.

According to statistics of the U.S. Department of Labor, the number of people engaged in industrial production in 1953 was 32% of the total labor force in the country. Statistics for 2018 indicates a figure of 8.5%, which is almost four times as lower than in the mid-twentieth century. Over the past few decades, the manufacturing sector of the United States have seen labor outflows, reached the mark of 8 million people by the mid-2010s [13].

Outsourcing has become a trend among mobile capital segments, while other spheres have taken a course to exploit migrant workers from Canada, Mexico, and countries of the isthmus of Panama as cheaper labor power. Consolidation on this strategy was one of the key aims of signing the North American Free Trade Agreement in 1994 and creating the WTO in 1995 [14] (see Fig. 2). The main dividend received by the United States and their domestic TNCs from the establishment of a common economic space within the framework of NAFTA was an access to the Mexican labor market, which is cheaper than the American one. However, over time it backfired: on the one hand, the development of Mexican markets for the products of a highly mechanized and subsidized agriculture sector in the U.S., on the other hand, the destruction of favorable economic climate for farmers. As a result, they were ruined and forced to move to the United States, where they began to compete with local producers in the field of agriculture.

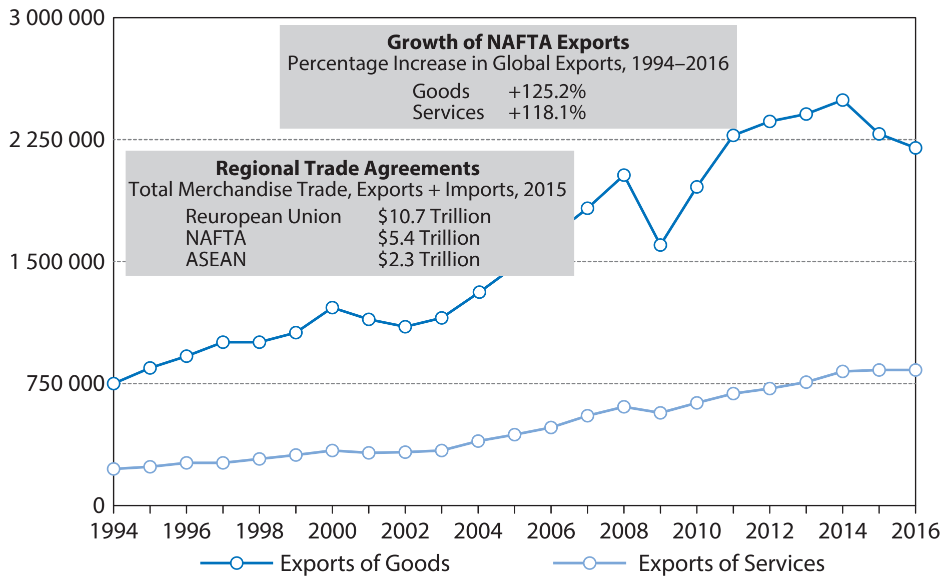


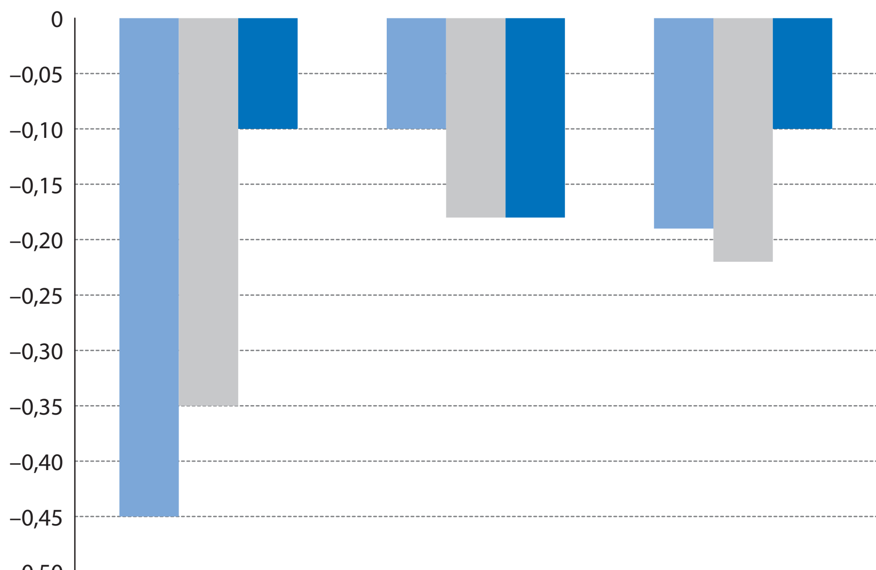
Fig. 2. Global exports of goods and services by NAFTA (1994–2016), mln USD

Source: WTO World Trade Statistics.

With sudden trade tariffs imposition on products coming to the U.S from abroad, the internal consumer market will not incur large losses in the short term. Nevertheless, there are some risks, because 70% of American manufacturers produce outputs that include 2/3 of imported materials and components. The most dependent industries are textile, chemical and automotive. By this way, economic response to protectionism may result in rising prices on products with a large share of imported spare parts and upturn in inflation, which at the end of 2018 estimated at 1.91%. Rise in inflation leads to interest rate hike, hence, the cost of money and credit rates increase, what will have a negative impact on economic activity. All these developments represent Pax Americana reloading, which culminated in total NAFTA renegotiation and the U.S. withdrawal from the Trans-Pacific Partnership [2].

The USA foreign economic policy is incontrovertibly subordinated to serve national interests. Based on this, Donald Trump's economic agenda is aimed at eliminating imbalances in international trade, which harms the widespread growth of American hegemony. For example, exports of American products to Turkey, India, China, the EU, Mexico, and Canada are liable to customs duties ranging from 10 to 50%, whereas in the U.S. there is no VAT on imported goods, only sales tax in some states [15].

In accordance with the Presidential decrees issued on 1 June 2018, the United States have imposed tariff barriers on steel (10%) and aluminum (25%) imports from the EU, Canada, and Mexico [15]. The authorities also laid duties on goods from China, that led to the loss of up to 50 billion U.S. dollars in bilateral trade deals [16] (see Fig. 3). Thus, the U.S. has asymmetrically set restrictions on exports and imports. Similar measures are designed to minimize the difference in tax rates of the U.S. trading partners, which, like China, resort to the practice of deliberate dumping and competitive devaluation of their national currencies. According to Gao Feng, official representative of the Ministry of Commerce of the People's Republic of China, the stimulating effect of Chinese capital has become one of the reasons for beginning the U.S. — China trade war [17]. Actively investing in the American economy, it contributed to job growth in the United States.



	USA	China	World
2019	–0,45	–0,10	–0,19
2020	–0,35	–0,18	–0,22
2021	–0,10	–0,18	–0,1

Fig. 3. The U.S.—China trade war's impact on GDP, %

Source: Bloomberg Economics.

Moreover, the government enforces its decisions to restrict the cooperation of American corporations, as well as companies from among the allied countries of the United States with the states mentioned in the act "Countering America's Adversaries Through Sanctions Act", in sensitive areas for their economy [18].

As for the domestic agenda, the U.S. establishment has always had diametrically opposite approaches to the issue of free trade. From the point of view of globalists, the tendency of job cuts in the production sector is a natural process that derives from the achievements of scientific and technological progress, and manufacturing jobs are integrated into the service sector. Globalists attribute the increase in the trade deficit to the overall growth of the U.S. budget deficit and household savings crisis. However, they deny negative consequences of overvaluation of the

American dollar or globalization. By the end of the 1990s, the budget deficit had been eliminated, but the trade deficit ratcheted up and has been keeping growing since the early 2000s, when the economy was suffering from low demand [19] (see Fig. 4).

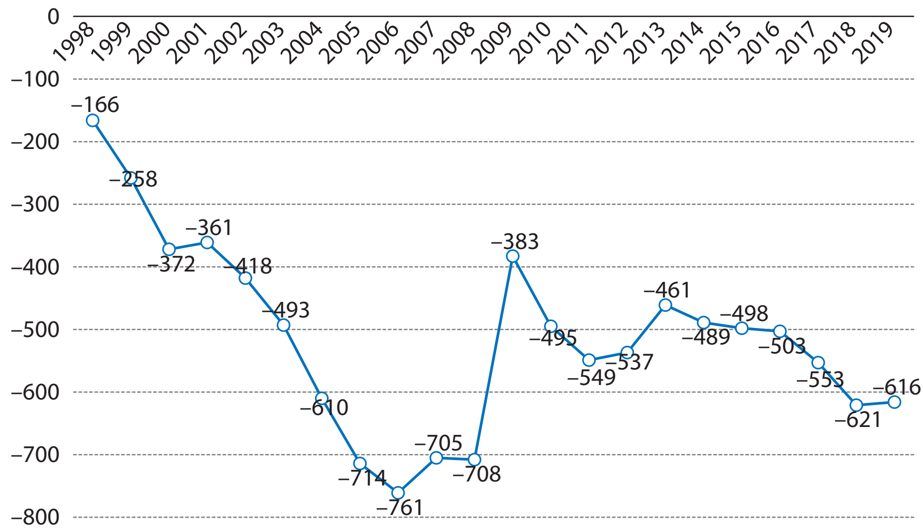


Fig. 4. The U.S. trade deficit in 1998–2019, bln USD

Source: The U.S. Bureau of Economic Analysis.

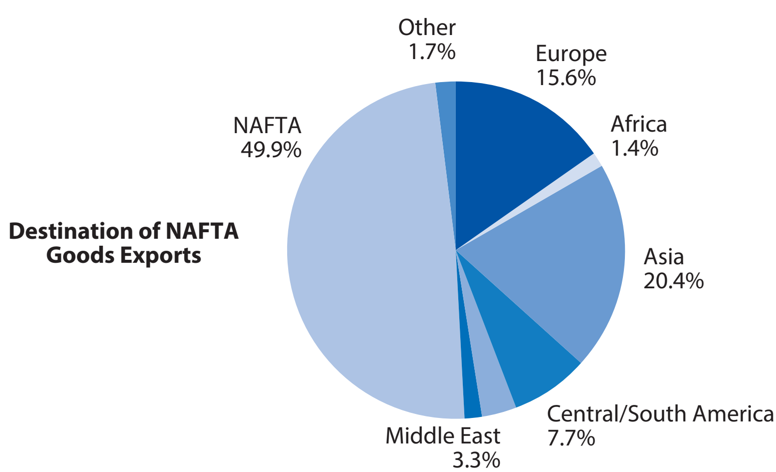
The trade deficit is itself a main channel for deindustrialization as investment volume declines and overall productivity growth decelerates. Globalists insist on waiving of tariffs and investment restrictions as one of the key components of liberal hegemony. Having come to power, Trump openly endorsed the nationalist ideas of perception of free trade. American industrialists and labor union leaders, having fears about foreign competition, actively lobby their interests through representatives in Congress to protect the rights affected by a certain trade agreement. In the aggregate, all these factors made the Trump administration renegotiate NAFTA as part of its ideological countering to liberal hegemony as a natural phase of globalization.

The final draft for NAFTA revision was presented by Robert Lighthizer at the negotiations on July 17, 2017. The U.S. Trade Representative justified that the agreement needed to be revised by the desire of the United States to reduce the trade deficit and facilitate access for American products of light industry, agriculture and service businesses to the markets of Canada and Mexico [20]. The re-signing of the agreement, which took place on September 30, 2018, was marked not only by substantive changes in the articles, but also by adopting new name USMCA (United States—Mexico—Canada Agreement), since it was considered to be profitable from a marketing perspective [21].

During the negotiations process, which lasted about a year, the U.S. made concessions, retaining the Chapter providing for the adjudication of trade disputes in special arbitration tribunal, although initially Washington favored the deletion of this paragraph from the USMCA text. The provision provides some protection for Canada from antidumping duties and other protectionist measures.

The new deal, as the Canadian government declared, "will strengthen the middle class, and create good, well-paying jobs and new opportunities for the nearly half billion people who call North America home [22]". Then, in August, Washington and Mexico reached individual consensus upon which the United States can impose tariffs of up to 25% on car imports if the volume of imports is higher than fixed or it threatens national security of the American state.

Intra-regional commerce represents one-half of USMCA's global exports, illustrating the expanding role of regional production networks operating across the three member countries. Among rest-of-world trading partners, Asia and Europe account for the largest shares of global goods exports (20.4 and 15.6% respectively). Machinery and transport represent the largest share (43.4%) of goods exported by NAFTA. Within its increasing stock of service exports, travel (29.2%), financial services (15.2%), and use of intellectual property (15.2%) comprise the biggest categories [14] (see Fig. 5).



Composition of NAFTA Goods Exports	
Agriculture & Food	11.0%
Chemicals	11.2%
Fuels & Mining	12.1%
Machinery & Transport	43.4%
Other	22.3%

Composition of NAFTA Service Exports	
Goods-Related Services	3.4%
IT Services	5.3%
Professional Services	10.0%
Transport Services	11.8%
Financial Services	15.2%
Use of Intellectual Property	15.2%
Travel Services	29.2%
Other Services	9.9%

Fig. 5. Structure of NAFTA trade in 2018

Source: WTO World Trade Statistics.

Under the terms of the new agreement, the procedure for importing cars from the trade bloc parties is more complicated for foreign countries, compared to the standards that were established in 1994. Now 75% of each car components must be made in North America (the previous figure was 62.5%) [20]. This step is intended to support the unions, but may become a problem for representatives of the automotive industry. In addition, new rules set requirement whereby at least 2/5 of exported vehicles must be produced by workers whose payment per hour is equivalent to 16 U.S. dollars. This is supplementary payroll costs compared to expenditures for low-cost spare parts manufactured in Mexico. The Trump administration and some advocates from the Democratic party pushed for higher labor standards in Mexico, which should help local unions become more influential, as well as lead to wage increases.

The agreement expires in 2034 if it is not extended or altered. Representatives of the three countries agreed to meet every six years to decide on possible amendments to the text. At the same time, analysts from Mexico and Canada bring up fears that the uncertainty of expiration clause of agreement might reduce the level of investment in their countries.

As for externalities, at the global level, the USMCA agreement restricts signatory states in keeping exchange rates artificially low in order to benefit from trade. The United States, Canada and Mexico are rarely charged with actions of this kind, but motor manufacturers hope future deals with Asian countries will include this term. The U.S. succeeded in getting greater access to the Canadian dairy market, because the government controlled prices and restricted deliveries with fairly high tariffs. Experts calculate the agreement on this market will benefit the United States, particularly those states where the largest amount of dairy products is produced. Canada and Mexico are the leading export markets for American companies. The Office of the U.S. Trade Representative says new agreement will "return billions of dollars of production" to the United States automotive industry, and the updated deal will make North American manufacturers competitive with global suppliers from Japan, South Korea and Germany [23].

The new text of the agreement also provides for increasing the protection of intellectual property. The validity of patents for biological products extends from 5 to 10 years, while protecting music works and books from 50 to 75 years. The duties of the country of transit to detain counterfeit products are introduced. The cost of duty-free imported goods increases up to 100 U.S. dollars. The establishment of barriers to electronic products is prohibited, and a "national regime" is established in the financial services sector [21].

Conclusion

The declared parameters of the Trump administration's economic course are associated with macro trends developing in the bowels of the world economy and trade, and reflect the beginning reformatting of globalization processes. Globalization is changing its original appearance, to a certain extent losing its former quasi-universal character, and becoming more fragmented. D. Trump's address to protectionism and his willingness to curtail projects of creating integration megablocks in the Asia-Pacific region and the Atlantic form a counter-trend, the further development of which could complicate the U.S. relations with their partners in Asia, Europe and Latin America, and spark global instability and uncertainty.

On 1 July 2020, the USMCA officially entered into force in all member states. While renegotiation has focused primarily on trade, two less-discussed but nonetheless important aspects of the agreement deserve attention. First, it contains a "bill of rights" for telecommunications providers and users that have largely benefited American telecommunications companies. Second, it also includes significant rules and regulations for governing cross-border investment among the United States, Canada, and Mexico.

From the U.S. point of view, this agreement is certainly better than no deal. But the arrangement is unlikely to create more jobs in the United States than maintaining NAFTA would have done, and President Trump got far less in this negotiation than his inflated rhetoric demanded. To cite just one example, instead of hiring more American or Canadian workers to meet the wage requirements or forcing Mexico to pay its workers more, auto producers will likely not want to make costly changes to their complex supply chains and will instead pay the tariffs that foreign car exporters are charged to enter the North American market. This will slightly increase car prices but do little to affect hiring patterns.

Under the USMCA, the chapter covering temporary entry for professionals and business persons, Chapter 16, remains largely intact. This may surprise those who expected the number of professions it covered to be reduced, or a cap on renewals to be brought in. Currently, there is no limit on the number of times eligible professionals and business persons may renew their status in Canada. In addition, the same rules that apply to American and Mexican professionals and business persons coming to Canada also apply to eligible Canadians heading to the U.S. and Mexico.

The political incentives for pushing up tariffs cannot be overlooked. D. Trump was elected on a platform opposing certain free trade agreements. The local population opposed globalized trade that seemingly took away their jobs, whether or not they were replaced by immigrants in their country or workers outside. As manufacturing jobs were clustered in the mid-Northwest or the "Rust Belt", the outsourcing of production to countries with cheaper labour, impacted these areas the most. By the time of the 2016 election, the workers who lost out as a result of trade agreements such as NAFTA, moved away from the political party they had supported traditionally — the Democrats. For the first time, in decades, these areas became swing states. Trump won their support on the assurance of redoing the trade deals, reviving manufacturing and as a result, getting back jobs in the region.

Undoubtedly, Trump's trade policy is centered around his voters. He is providing incentives to companies to remain in or return to the United States, and by attempting to balance the trade balance, he is only looking at getting the surplus from the consumer to the producer, and by extension their employees. Thus, such an approach is a means to create a favourable environment for hiring local blue collar workers, both in the Northern Midwest, and the rest of America.

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И.Е. Ильин[2]

Торговая политика США: Big Deal и пересмотр соглашения НАФТА в рамках стратегии America First при Д. Трампе

Данная работа посвящена некоторым аспектам текущей торговой политики США в рамках стратегии America First. Благодаря эмиссии доллара США всегда были мировым гегемоном в международной торговле, но в сегодняшних условиях тесной конкуренции с Китаем стране необходимо найти новый подход к сохранению своего лидерства на мировой арене. Президент Трамп предложил новые варианты рычагов влияния, которые помогут Соединенным Штатам сохранить лидерство, включая многие протекционистские меры, такие как рефляция бюджета и дерегулирование финансового и реального секторов. Однако “трампономика” — это курс на перезагрузку ставшей привычной для США модели глобализации. И такая перезагрузка вызывает вопросы о будущем региональных объединений, таких как НАФТА (ЮСМКА).

Ключевые слова: *США*, *Китай*, *трампономика*, *рефляция*, *торговая политика*, *НАФТА*, *ЮСМКА*.

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[2] *Ильин Илья Евгеньевич — выпускник Донецкого национального университета, г. Донецк, Украина. E-mail: 04ilyin01@gmail.com*