US politics & policy

Donald Trump asks arch protectionist Robert Lighthizer to run US trade policy

Tariff hawk's potential reappointment to top economy role likely to alarm trading partners



Robert Lighthizer, pictured, was US trade representative when Donald Trump launched his trade war with China © Nicholas Kamm/ AFP/Getty Images

Demetri Sevastopulo and Aime Williams in Washington 3 HOURS AGO

Robert Lighthizer, who was US trade representative when Donald Trump launched his trade war with China, has been asked to take the job again as the president-elect starts to build his cabinet team.

Several people familiar with the discussions inside Trump's transition team said <u>Lighthizer</u> had been asked to return to the role even though he was lobbying for a different position, including commerce secretary.

Lighthizer had also expressed interest in serving as Treasury secretary, but that position will most likely be offered to a financier, with contenders including the hedge fund managers Scott Bessent and John Paulson.

The possibility of an arch protectionist being reappointed to the pivotal trade role is likely to raise concerns in Beijing, as well as among US trading allies, given how influential Lighthizer was during Trump's trade wars during his first term. Trump has vowed to impose high tariffs on all imports into the US, particularly Chinese goods.

Trump had considered Lighthizer for commerce secretary but the people familiar with the personnel discussions said the president-elect was most likely to offer that job to Linda McMahon, the billionaire co-chair of Trump's presidential transition team.

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Brendan Boyle, a Philadelphia congressman who is the top Democrat on the influential House budget committee and a senior member of the ways and means committee that oversees trade, said he would welcome Lighthizer's appointment.

"When Bob Lighthizer was USTR I worked with him on the [US-Mexico-Canada Agreement]," Boyle said. "He was bipartisan in his approach and is well respected on both sides of the [political] aisle."

It remains unclear if Lighthizer will accept the position. He did not respond to requests for comment. A spokesperson for Trump also did not immediately respond.

Robert O'Brien, who served as national security adviser during the first Trump administration and was viewed as a contender to return to that role or become secretary of state, this week told his private sector consultancy clients that he would not join the administration, said one person familiar with the decision.

Lighthizer was highly regarded by Trump and was one of the few top-level officials who did not suffer his wrath during Trump's first term.

As Trump's trade tsar, he presided over a turbulent era for global trade as the administration repeatedly hit its largest trading partners — including its allies — with steep levies and tariffs on billions of dollars' worth of imports.

A former lawyer for the US steel industry, he frequently clashed with the Genevabased World Trade Organization, which oversees international trade disputes, calling it a "mess" that had "failed America".

His appointment would also signal trouble for Nippon Steel, the Japanese company that has proposed a \$15bn acquisition of US Steel. Trump has signalled his opposition to the deal, but Lighthizer would almost certainly argue for blocking the acquisition.

Lighthizer spent three decades as an attorney at Wall Street law firm Skadden Arps, where he fought imports from China on behalf of the US steel industry, including US Steel. In the early 2000s, he helped persuade George W Bush's administration to impose tariffs on steel imports to protect the US industry.

During his previous tenure as trade representative, Washington moved away from trade deals driven by business interests and instead focused on measures designed to reshore manufacturing and protect American workers. Despite this, Lighthizer agreed limited trade deals with China and Japan, and updated the US's deal with Mexico and Canada.

<u>Writing in the Financial Times</u> just before the US election, Lighthizer blamed free trade for the loss of American manufacturing jobs and called the US trade deficit "alarming". "Facing a system that is seriously failing our country, Trump has decided that action must be taken," he wrote.

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