

## **2024 Election Industry Impact: Trade**

Analyses of how the results of the 2024 election will affect trade

November 21, 2024

# FDRA

## Roadmap

- **Policy impacts**
- Potential Trump administration officials
- Potential congressional committee leadership

## Republican trifecta policy impacts on trade

### How the Republican trifecta will impact trade policy



Increased tariffs on US imports, with significant tariff increases on imports from China. Potential for the US to pull out from the World Trade Organization, and potential WTO collapse. Renegotiated USMCA Trade Agreement, with more favorable terms for the US. US remains a net oil exporter.

### Policy priorities



**Increased tariffs on US imports:** The Trump administration can impose and hold baseline tariffs on most foreign goods without congressional approval, and a Republican trifecta would not reign in executive powers over trade



**Domestic manufacturing:** Trump's tariff plan would enable a "Strategic National Manufacturing Initiative" with the goal of increasing domestic output



**Oil and gas exports:** Oil and gas exports rose during the first Trump presidency and Trump calls for energy independence

### Key industry impacts



**Increased tariffs on US imports:** Increased disputes with foreign governments over US tariffs, and potential retaliatory tariffs on US exports. Higher costs for general goods as US manufacturing develops



**Domestic manufacturing:** The US is forced to increase domestic manufacturing as imported goods have increased costs. Uncertainty in the global economy as market prices adjust, decreased imports from China



**Oil and gas exports:** The US may continue to be net exporters of both oil and gas as Republicans push for energy independence. If US imports on oil and gas decrease, then the trade deficit may reduce slightly

## Likelihood of potential actions in the trade industry under a Republican trifecta

	Increase tariffs on all imports		
	Drastically increase tariffs on all Chinese imports		
	Weaponize tariffs to encourage domestic manufacturing		
	Diversify investments in the global supply chain		
	Withdraw from the World Trade Organization		
	Continued high levels of oil and gas exports		
	Expand trade efforts throughout the Indo-Pacific		

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## Key executive branch figures that may impact trade policy (1/3)

### SECRETARY OF COMMERCE



Howard Lutnick

CEO of investment firm Cantor Fitzgerald and co-chair of Trump's transition

### BIOGRAPHY

- Became president of Cantor Fitzgerald at 29, after eight years of working there
- Lost 658 employees during the 9/11 attacks

### POLICY POSITIONS

#### Institute Trump's vast tariff scheme

- Supports efforts to "tariff the rest of the world and keep them the heck out"

#### Cut taxes and regulation

- Supports elimination of income taxes
- Backs plans to deregulate cryptocurrency market

### SECRETARY OF STATE



Marco Rubio

Senator from Florida

Vice Chair of Senate Intelligence Committee

### BIOGRAPHY

- City commissioner in West Miami
- Speaker of the Florida House of Representatives
- Elected to the US Senate in 2010

### POLICY POSITIONS

#### Hawkish on foreign policy

- Maintains a hard line against Iran and other US adversaries

#### End the conflict in Ukraine

- Voted against continuing aid as senator; thinks hard choices are needed to end the conflict

#### Counter China's rising influence

- Believes economic policy needs to address China

## Key executive branch figures that may impact trade policy (2/3)

**SECRETARY OF THE TREASURY**

**POTENTIAL PICKS**



**Bill Hagerty**

Senator from Tennessee  
Ambassador to Japan during Trump's first term



**Kevin Warsh**

Former member of the Federal Reserve Board of Governors  
Economic adviser to President George W. Bush




**Marc Rowan**

CEO and co-founder of investment firm Apollo Global Management


**SECRETARY OF AGRICULTURE**

**POTENTIAL PICKS**



**Abel Maldonado**

Former lieutenant governor of California



**Ray Starling**

USDA official during Trump's first term

## Key executive branch figures that may impact trade policy (3/3)

### SECRETARY OF HOMELAND SECURITY



Kristi Noem

Governor of South Dakota

Former US representative

#### BIOGRAPHY

- Became South Dakota's first female governor in 2019
- Served as at-large representative for South Dakota from 2011 to 2018

#### POLICY POSITIONS

##### Hardliner on immigration

- Will oversee implementation of Trump's campaign promise of mass deportations
- Sent members of the South Dakota National Guard to the southern border as governor
- Believes sanctuary cities should be held accountable for not adhering to federal policy

### SECRETARY OF ENERGY



Chris Wright

CEO of Liberty Energy

#### BIOGRAPHY

- Founded Pinnacle Technologies, a fracking company, in 1992
- Former chairman of Stroud Energy

#### POLICY POSITIONS

##### Against net-zero emissions pledges

- Believes the approach is impractical and costly

##### Deregulate the energy sector

- Believes in "sensible regulation"

##### Increase nuclear energy production

- Wants to increase nuclear production from 4% to 10% of energy production



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## Potential committee leaders in the 119<sup>th</sup> Congress that could impact trade policy

### POTENTIAL GOP LEADERSHIP

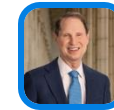
### POTENTIAL DEM LEADERSHIP



Senate Finance



Mike Crapo (R-ID)



Ron Wyden (D-OR)



Foreign Relations



James Risch (R-ID)



Jeanne Shaheen (D-NH)



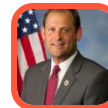
Financial Services



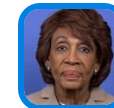
French Hill (R-AR-2)



Bill Huizenga (R-MI-4)



Andy Barr (R-KY-6)



Maxine Waters (D-CA-43)



Ways and Means



Jason Smith (R-MO-8)



Richard Neal (D-MA-1)