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POLITICS

Trump Eases Off Hard Deadline for China Tariffs

The March 1 deadline to complete talks with Beijing is 'not a magical date,' U.S. president says



U.S. Trade Representative Robert Lighthizer and Chinese Vice Premier Liu He in Beijing last week. PHOTO: MARK SCHIEFELBEIN/PRESS POOL

By Bob Davis and Alex Leary

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WASHINGTON—President Trump gave his firmest indication yet that the U.S. may not increase tariffs on Chinese goods on March 1, as scheduled, despite statements by his top trade official that the U.S. should stick to a firm deadline.

That deadline to complete talks with Beijing is “not a magical date,” he told reporters Tuesday, as midlevel U.S. and Chinese negotiators started this week’s trade meetings. Cabinet-level officials will join the discussions Thursday.

Mr. Trump and his advisers have said they are considering a meeting with President Xi sometime in the coming weeks. Under that scenario, the Trump-Xi meeting would effectively act as the deadline for a deal. American officials want that session to take place in the U.S.

Since mid-January, the two sides have met either in Washington or Beijing to carve out a deal to end a yearlong trade dispute that has rocked global markets and upended corporate investment plans. Mr. Trump has issued a series of contradictory statements about a deadline for talks, his plans to meet Mr. Xi, and whether he will increase tariffs at some point.

“The real question will be: will we raise the tariffs?” Mr. Trump said Tuesday. “I know that China would like not for that to happen. So I think they are trying to move fast so that doesn’t happen. But we’ll see what happens.”

He said, “I can’t tell you exactly about timing, but the date is not a magical date. A lot of things can happen.”

At times, Mr. Trump’s remarks have put him at odds with his top China negotiator, U.S. Trade Representative Robert Lighthizer. Absent a deal, he has repeatedly set a firm deadline for tariffs on \$200 billion of Chinese goods to increase to 25% from 10%.

“The deadline is March 1. That is the deadline,” he said in late January, adding he wasn’t contemplating an extension. A month earlier, he characterized it as a “hard deadline.”

The Office of the U.S. Trade Representative didn’t immediately respond to a request for comment.

The White House referred to remarks Mr. Trump made last week that the tariffs are hurting China.

For the Chinese, the conflicting statements present a quandary, said Cornell University China scholar Eswar Prasad. “They aren’t sure which approach to take more seriously—Lighthizer’s or Trump’s,” he said. While China would welcome the continuation of a trade truce for another month or two, he said, they fear that the U.S. demands would increase over such a period. “If the deadline is extended, they could be asked for a great deal more in exchange for a little time,” Mr. Prasad said.

For now, he said, Beijing is looking to make enough trade concessions, including additional purchases of soybeans, natural gas and other goods, to keep the U.S. from increasing tariffs, scheduled to start at 12:01 a.m. on March 2, said people involved in the talks.

Mr. Lighthizer’s colleagues describe him as frustrated with the changing direction from the White House.

In late January, Chinese negotiators invited Mr. Trump to visit Mr. Xi at the tropical island of Hainan and work out a deal. Meeting in the Oval Office with the top Chinese official, Liu He on Jan. 31, the president said he may meet the Chinese leader twice. Mr. Trump's aides, though, convinced him—for that moment at least—that it was too early for a meeting and that traveling to China for a deal would put great pressure on him to agree to China's terms.

Mr. Lighthizer and other aides also have pressed for a firm deadline to increase leverage on Beijing—an issue on which Mr. Trump made conflicting statements during two meetings on Jan. 31.

After the two presidents met in Buenos Aires on Dec. 1, when they decided to push the deadline for a tariff increase to March 1 from Jan. 1, there was a dispute over the deadline among Trump aides on the flight back on Air Force One, said people briefed on the negotiations.

Initially, the White House statement didn't include firm language on the deadline. After objections by hawkish trade adviser Peter Navarro, the people said, the statement was rewritten to say, unambiguously, that if by March 1, "the parties are unable to reach an agreement, the 10% tariffs will be raised to 25%."

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Corrections & Amplifications

Cornell University China scholar Eswar Prasad said if a deadline to conclude a trade deal is extended, China "could be asked for a great deal more in exchange for a little time." An earlier version of this story incorrectly attributed that statement to U.S. Trade Representative Robert Lighthizer.

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