

Death By China: Peter Navarro's Zero Sum Game

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In *Death by China*, Peter Navarro skewers the U.S.-China trade relationship. This wide ranging treatise, and the subsequent documentary of the same name, analyzes everything from China's human rights violations, to its destruction of the environment, lack of quality control in manufacturing, and growing military expenditures. In the words of President Donald Trump, "'Death by China' is right on. This important documentary depicts our problem with China with facts, figures and insight. I urge you to see it."¹

Navarro's story goes like this: Since entering the World Trade Organization in 2001, China has exploited international trade for its own benefit by ignoring the rules on quality control, environmental protection, currency regulation, and labor rights for its workers, thus reducing the cost of its products and making American (and other countries') companies less competitive. These products, in turn, are sold back to America at lower costs. Because so many jobs have left the country, Americans are now poorer than they used to be and can only afford to buy the cheap products made in China, thus perpetuating the vicious trade cycle. These products are often shoddily made and many contain harmful chemicals that can damage your health. The American government, meanwhile, signs trade deals that open American markets to Chinese imports, but do not require the Chinese to reciprocate, a failure that accelerates an already large trade deficit. Large American corporations, hoping to profit from the massive Chinese market, move their operations overseas. Such a move further reduces employment in America, and the companies are forced to share their firm's secrets with the Chinese government. In effect, these corporations are granted

¹ Davidson, Adam. "Trump's Muse on Trade with China." *The New Yorker*. October 12, 2016. <http://www.newyorker.com/business/currency/trumps-muse-on-u-s-trade-with-china>. Accessed November 30, 2016.

short term market access at the expense of creating long term Chinese competitors. The Chinese government, a notorious abuser of human rights, employs underpaid workers at near slave wages, even as hackers and spies to steal technology from American companies and defense agencies. They use this stolen information, along with the trillions of dollars they earn from trade, to expand and modernize their military. All in all, these nefarious activities undermine U.S. national security.

It is not a hopeful picture. Navarro calls it “one of the great obscenities in global economic history”.² It is a feeling he shares with the president. “It's not free trade with China; it's stupid trade,” Trump said during the Republican primary debates.³ The idea that America has been duped on its trade policies was one of the biggest sources of frustration for Trump supporters in the run up to the election.

So what can be done about it? Navarro’s policy proposals are centered on one overarching goal: rebalancing U.S.-China trade. Navarro argues that America should either force China to play by the rules or enact its own protectionist measures that stop Chinese goods from flooding the domestic market. First, American consumers must stop buying Chinese made products. The government should raise tariffs on imports and label China a currency manipulator for keeping the yuan artificially depreciated. These policies, he argues, would level the playing field, allowing American workers to once again compete on equal terms with workers in other countries. Navarro also advocates stopping Chinese entities from buying private companies in sensitive U.S. industries, pursuing a much tougher approach to intellectual property theft and espionage, and doubling down on efforts to stop human rights abuses and environmental degradation.

² *Death By China*, p. 66

³ http://www.ontheissues.org/2016_CBS_GOP_FL.htm. Accessed December 21, 2016.

While the book has the potential to raise serious concerns about China's behavior, *Death by China* amounts to little more than a jingoistic polemic. Navarro decries anyone on the left or right who disagrees with him. He labels the *Wall Street Journal's* editorials advocating free trade as "so much cow manure."⁴ Skewering major think tanks, he ominously warns his readers to "discount the data or opinion based on their sources."⁵ He reduces the complicated issue of US-China trade relations to a zero sum game in which China steals American jobs and ruins its economy while American corporations get rich and its politicians sell out the livelihoods of the average American. Navarro distorts facts to make it seem like all products from China are poisonous, and leans on hyperbole to simplify complex topics. The chapter dealing with product safety, for example, is titled "Death by Chinese Junk: Strangling Our Babies in Their Cribs."⁶ Such vitriolic writing is not meant to enhance intellectual debate. Rather, it is meant to drive home his point that China is the single greatest threat to the world today—its products kill you, its pollution kills you, its government wants to kill you, and its people are taking your jobs.

After reading this book, one can't help but feel angry—angry at China for so flagrantly violating international norms, and angry at Navarro for presenting these important arguments in a self-defeating manner. As the head of the National Trade Council and one of the few people whose take on China President Trump has touted, Peter Navarro will undoubtedly play a key role in shaping the contours and direction of U.S.-China relations.

⁴ *Death By China*, p. 220

⁵ *Death By China*, p. 230

⁶ To show just how little research Navarro actually did, the incident from which this chapter title derives is that of 9-month-old Liam Johns of Roseville, California. Johns asphyxiated in his crib when a faulty latch came undone and strangled him in his sheets. The crib was manufactured in China, but it was designed by the US company Simplicity. Investigation revealed that it wasn't the Chinese manufacturer, but the US design that was responsible for Johns' death (<http://www.cbsnews.com/news/1-million-chinese-made-cribs-recalled/>). Navarro either intentionally mislead his readers or failed to properly research the incident before including it in his book.

Indeed, America *should* be tough on China for its unfair trade practices. America *should* be uncompromising in its support for human rights and environmental protection. But America should not approach China with the single goal of rebalancing the trade relationship. It should not assume that drastic policy changes on America's part will not be met with similarly drastic responses from the Chinese. America's China policy must be carefully executed with a long term vision in mind, not haphazardly thrown together via Twitter. A strong policy that advances America's national interests need not be reckless or aggressive. It *does* need to be smart.