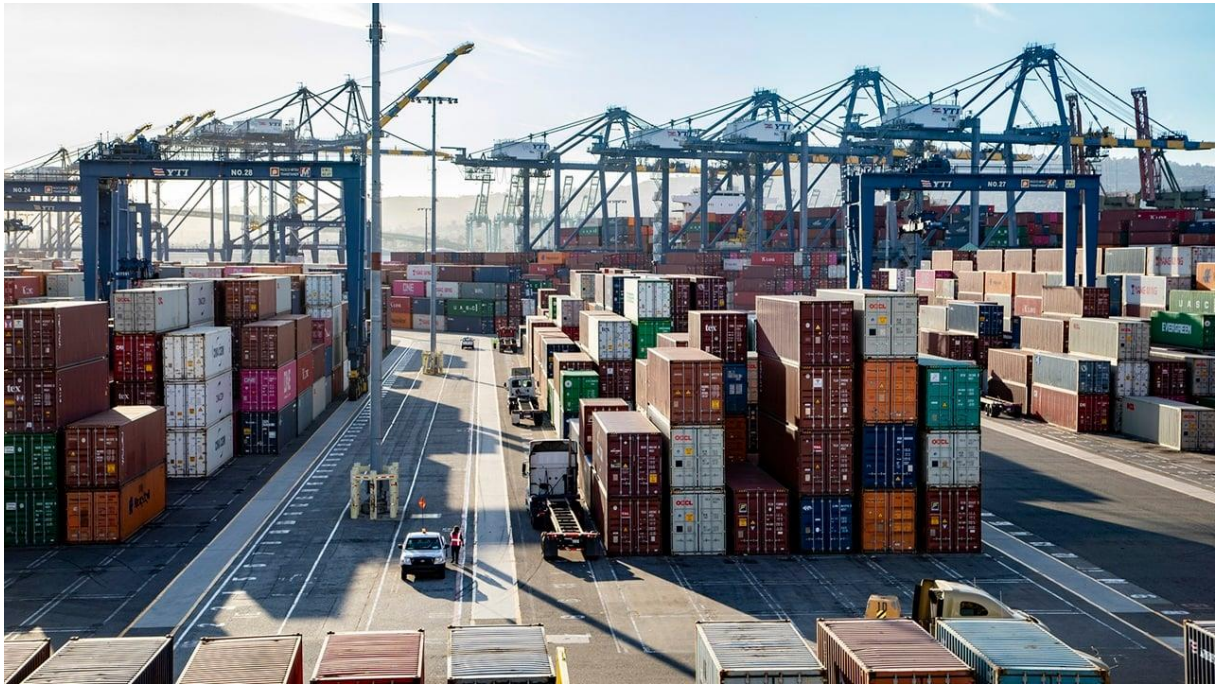


After the Trump bump, caution on US trade prospects

Port of Los Angeles Executive Director Gene Seroka and economist Dr. Mary E. Lovely discuss a period of active trade policy and headaches for cargo shippers as President Trump takes office.

[Barry Parker](#), New York Correspondent

November 21, 2024



Credit: Port of Los Angeles

At a Glance

- Port of Los Angeles reporting record monthly container volumes
- Surge in imports expected in final months of Biden administration
- How quickly will President Trump increase tariffs on Chinese goods, and from other countries

With the impending inauguration of Donald Trump, returning to the White House, there has been considerable attention focused on questions of what might happen to trade flow, particularly into the United States with threats of tariffs looming.

Concerns about levies on imported goods have been heightened with the announcement that Trump will be nominating a major supporter- Howard Lutnick, the CEO of financial services stalwart Cantor Fitzgerald, for the Secretary of Commerce post. Lutnick has been a major supporter of tariffs- particularly those aimed at [China](#). There is also the potential that the Secretary of Commerce post could be linked up with the Office of the [United States](#) Trade Representative, though this is not clear from the initial announcements.

The monthly webcast from the [Port of LA](#) on a path to possibly achieve new records in container throughputs, bolstered at least partly by goods moving in while Biden is still in the White House- one visage of “The Trump Bump”. Hosted by its Executive Director Gene Seroka, the online briefing delved heavily into the possibilities of what might, or might not happen on the trade front once Donald Trump comes into office two months from now.

The Port of LA is already seeing record volumes handling 905,026 teu in October, up 25% on the same month in 2023, and the port's fourth consecutive month of volumes in excess of 900,000 teu.

Related: [Middle East Special Report 2024](#)

This month's guest, Dr. Mary E. Lovely, a Senior Fellow at the Peterson Institute for International Economics, who- as a Professor at Syracuse University and in similar roles, has done extensive research on trade policies with China in particular. In her remarks, she said that uncertainty and disruption are nearby on the trade radar, "We are looking at a period that will be very active for trade policy, and that's going to cause a lot of headaches and re-arrangements for [cargo] shippers."

Dr. Lovely suggested that the new Administration would likely "get to work right away, particularly on tariffs on China...we think that the President-elect will use the authority that's already been established under 'Section 301' – this is the authority that President Biden used very recently to raise tariffs on EVs from China." She suggested that "how far and how fast- we don't know...but this will be the opening."

In the back-and-forth dialogue, Seroka posited that "What happens on the campaign trail sometimes takes a little while to get settled into policy." Talking about the overall impact of tariffs, Dr. Lovely said: "We'll definitely see an effect on trade flow, both imports and exports, going on to explain that the export side would be hurt because of higher prices on intermediate inputs that come into the States (through Port of LA and elsewhere), with exporters "finding in the global market that their competitors will not be hamstrung in the same way."

Related: [Liebherr delivers two quay cranes to Newark terminal](#)

The discussion turned to possible tariffs on countries other than China and impacts on supply chain managers, with Dr. Lovely saying: "A bigger concern will be asynchronous targeting of countries" pointing to uncertainties about what might come out of an upcoming review of the United States-[Mexico](#)-Canada Agreement (USMCA).

She stressed that Mexico is an important trading partner of the US and that impacts on trade policy might be tied to results of discussions on drug interdiction and immigration into the States. For imports from other parts of Asia, she suggested that the new Administration would be looking carefully at how much Chinese content is embedded into each nation's shipments inbound to the States.

The bigger picture and looking at the negative impacts on US manufacturers, Dr. Lovely said: "I think that the plan that the Trump administration has is mainly focused on re-shoring of activities. Obviously if that plan were to work it, it's saying that we want to decrease the flows of good into and out of the United States." But there are some positives, with Dr. Lovely suggesting that other countries would create supply chains specifically directed at bringing goods free of Chinese content into the States.