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## What to Expect from the Biden Administration?

### *Needed: A Three-Pronged Approach to Revive US International Competitiveness*

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In order for the US to regain its competitive footing internationally, President-elect Biden should champion a **three-pronged approach** that (i) enhances reform of the world's key markets to abide by the globally sanctioned rules-based system governing trade; (ii) ensures investors can capture full value from their endeavors while protecting host countries' national security; and (iii) reorients like-minded nations to cooperate on investments in pre-competitive research and development (R&D) that harnesses their collective innovative prowess.

**WTO and Trade:** Biden's foreign policy chops make him a natural to rebuild our country's historically robust multilateral approach to trade and move past the Trump administration's diversion toward bilateralism. Doing so will be especially important in dealing with China. To this end, Biden should build a coalition with other world trading powers to test, once and for all, China's willingness to adhere to the domestic reforms it committed to in 2001 to gain entry into the WTO. The coalition should present China with three options: adopt the reforms it signed onto; renegotiate and adopt terms of a new (less-preferential) WTO accession agreement; or leave the WTO altogether (and forfeit its WTO preferences). This mature approach should suit not only the Chinese but also Biden, who understands it is likely the only path to ensure the WTO's credibility, since China is the world's second largest economy. (See: "[The Coalition-Based Trade Strategy Trump Should Pursue Toward China](#)")

**CFIUS and National Security:** On foreign investment, perhaps the most immediate issue facing Biden will be here at home. The US would be served well if Biden were less chaotic than his predecessor when it comes to decisions by the Committee on Foreign Investment in the United States (CFIUS). CFIUS has become more prominent in recent years, in part due to the increased transactions by the Chinese, but also due to a new law passed by Congress. Given the legislative branch's strong interest in CFIUS, a systematic approach by Biden would signal the US has an all-government national security posture toward foreign investment. (See: "[Trump's TikTok Tactics Provoke China's Countering CFIUS As New Data Portend Decoupling](#)")

**Global R&D Collaboration Among the G-7:** Finally, Biden should help the US R&D enterprise—businesses, universities and government labs—play a lead role in fostering international collaboration among other advanced democracies. This is critical given China's unchecked rise in state-sponsored technology and global value capture of R&D. A Biden initiative to create a G7 group that emphasizes R&D cooperation—"the R&D7"—would be well received and could be a game changer. (See "[Time for a New Chapter to Forge and Leverage International S&T Agreements](#)")