

Biden, steelworkers union beat the drums for anti-China campaign

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Speaking before an audience of United Steelworkers union officials in Pittsburgh, President Joe Biden announced the tripling of tariffs against imports of steel and aluminum from China. The measure was on top of the tariffs imposed under the Trump administration, which Biden has retained.

The main purpose of the speech was to whip up economic nationalism and anti-China sentiment, as part of the effort to drag the American people into a war with China that would be even more terrible than the ongoing US-NATO war in Ukraine and the Israeli genocide in Gaza.

Biden also reiterated his opposition to the sale of US Steel to Nippon Steel, the leading Japanese steelmaker, declaring, “US Steel has been an iconic American company for more than a century. And it should remain a totally American company, American owned, American operated, by American union steelworkers—the best in the world. And it’s—that’s going to happen. I promise you.”

Last week, Japanese Prime Minister Fumio Kishida visited Washington and was accorded the honor of addressing a joint session of Congress, as well as a state dinner at the White House. The purpose of this visit was to better integrate Japan, which killed tens of millions of Chinese during its 1937–1945 invasion of the country, into Washington’s military alliances against China.

During last week’s summit, Biden touted Japan as the most important US partner in the Pacific, implicitly an ally in a future conflict with China. There was no suggestion during the visit that the takeover of US Steel by a large Japanese company could be blocked on “national security” grounds.

That, however, is the only basis for the Biden administration to block the sale, using the powers of the

Committee on Foreign Investment in the United States (CFIUS), chaired by Treasury Secretary Janet Yellen, which reviews such large-scale mergers and acquisitions from the standpoint of US national security.

A key element in Biden’s war policy is a corporatist policy in the home front, drawing together American corporations and the trade union bureaucracy with the state in a wartime alliance. At a reception for Kishida at the White House, United Auto Workers President Shawn Fain was an invited guest. This was the fifth joint appearance between Biden and Fain since last November, when they shared a stage to push a contract on autoworkers which is now being used to eliminate thousands of jobs.

This policy also animated Biden’s decision to unveil the new tariffs at the USW headquarters. The core of his speech was a diatribe against Chinese steel exports. He claimed, without any evidence, that these exports were being subsidized by the Chinese government.

“Because Chinese steel companies produce a lot more steel than China needs, it ends up dumping the extra steel into the global markets at unfairly low prices,” Biden said. “And the prices are unfairly low because Chinese steel companies don’t need to worry about making a profit, because the Chinese government is subsidizing them so heavily.”

He summed up the argument in the most inflammatory language, declaring, “They’re not competing. They’re cheating. They’re cheating. And we’ve seen the damage here in America.”

From an economic standpoint, Biden is spouting nonsense. If China were subsidizing large-scale steel exports to the US, Beijing would effectively be subsidizing American companies purchasing steel—including the vast US armaments industry, the

biggest in the world.

The actual amount of Chinese steel currently entering the United States accounts for only 0.6 percent of total steel consumption. A White House official pointed to this fact to demonstrate that there would be no significant effect on inflation from the higher tariffs. But that only proves that Biden's tripling of tariffs serves the political purpose of whipping up anti-Chinese hysteria.

From a political standpoint, the US president is making an appeal to national chauvinism and anti-China prejudice that exceeds even that of his predecessor Trump, who first slapped tariffs on Chinese steel and aluminum.

The USW bureaucrats ate it up. Biden's anti-China remarks were repeatedly interrupted by ovations. The USW, like the United Auto Workers, has been at the leading edge of whipping up protectionism and anti-Asian bigotry in order to disguise its own collaboration with the steel bosses.

As for the sale of US Steel to Nippon Steel, even if the result were the complete shutdown of US Steel, that would represent far fewer job losses than have already been eliminated by the "red-blooded American" corporate chiefs in Pittsburgh over the last four decades.

This includes three of the five steel-making complexes in the Pittsburgh area itself, and mills in Youngstown and Lorain, Ohio; Granite City and southside Chicago, Illinois; Ensley, Alabama, and countless smaller facilities. Over the past 16 years, US Steel has fallen from the eighth-largest to the 24th-largest steelmaker in the world.

Moreover, the tripling of tariffs may not even take place. Biden phrased it as a request for the US Trade Representative to investigate "trade practices by the Chinese government regarding steel and aluminum." If the investigation finds evidence, "then I'm calling on her to consider tripling the tariff rates for both steel imports and aluminum imports from China," Biden said.

By the time this administrative process is concluded, with inevitable reviews and legal challenges from steel-consuming industries such as the auto industry, the 2024 presidential election will be long gone. Biden will either be an ex-president or a lame-duck, serving out his second term. His policy in steel will be determined by the imperatives of war production.

Biden went on to suggest a further crackdown on Chinese exports in the shipbuilding industry, citing its importance to overseas trade and declaring, "Shipbuilding is critical to our national security, including the strength of the United States Navy."

In complete contradiction to his depiction of China as a colossus in steel, aluminum and shipbuilding, Biden then pivoted to a delusional portrayal of the US economy as the strongest in the world, with the best conditions for the working class.

"On my watch, unemployment hasn't been this low for this long in 50 years," he declared, to another ovation from the USW bureaucrats. "That's 50 years. Wages are rising. American manufacturing is booming. We've created up close to 800,000 new manufacturing jobs since I became president, including 28,000 manufacturing jobs right here in Pennsylvania."

It would be tempting to say that the only people who believe this piffle were in the USW headquarters listening to Biden. But they don't believe it either. Biden and the bureaucrats are seeking to sell this illusory claim for the purpose of vote-getting, but such arguments only enrage working people—who can see with their own eyes the real state of jobs and living standards—and, for some, make even Trump seem credible.



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