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Trump Trade Measures Set Off a Global Legal Pushback

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By ANA SWANSON

WASHINGTON — Tariffs imposed by the United States late last month are prompting a wave of litigation from other nations, including Canada and China, escalating concerns that the Trump administration's more aggressive trade stance could worsen international relations and spur retaliatory actions on American goods sent abroad.

On Wednesday, three Canadian solar companies filed a lawsuit in a New York court (Court of International Trade) over tariffs on solar cells and panels that the United States imposed in late January, claiming these penalties violate American law and the terms of the North American Free Trade Agreement. That same day, the European Union became the fourth member of the World Trade Organization to request discussions with the United States for compensation for the solar tariffs, following similar requests by China, Taiwan and South Korea.

Chinese officials also confirmed last weekend that they had launched a separate investigation into whether American exports of sorghum were receiving government subsidies or being sold at unfairly low prices abroad — a measure widely interpreted as a response to the Trump administration's ratcheting up of trade barriers.

With the Trump administration considering further trade actions on Chinese products and foreign metals this year, some trade analysts are concerned that other American products, from soybeans to Kentucky bourbon, could become a target for retaliation.

Darci Vetter, a former chief agricultural negotiator for the United States trade representative, called China's sorghum case just the latest example of American agriculture landing in the cross hairs as trade tensions rise.

"Unfortunately, the agriculture sector knows from experience that when tit-for-tat trade actions begin, agricultural products are the first to be hit," Ms. Vetter said. "Given the size and importance of China's market for a variety of U.S. ag products, we are concerned it won't be the last."

The Trump administration announced Jan. 22 that it would impose tariffs of up to 50 percent on imported washing machines and 30 percent on imported solar cells and modules, responding to a pair of trade cases alleging that cheap foreign products were degrading American manufacturing capacity.

Those tariffs were not as high as what the companies bringing the complaints had requested, or some of the recommendations made by the officials of the United States International Trade Commission. Still, many economists, consumer groups and businesses warned that the tariffs would lead to higher prices and could even end up costing more jobs than they would save.

These groups are still waiting to see whether the Trump administration fulfills its most ambitious plans for remaking trade policy. In the coming months, the administration is expected to introduce a hefty penalty on China for encroaching on American intellectual property, which could include tariffs on consumer electronics or restrictions on Chinese investment in the United States.

The fate of two separate trade actions, on imports of steel and aluminum, appears less certain.

Last June, President Trump said that the steel industry would be seeing action "very soon." But the idea of these tariffs was met with a swift backlash from industries that use the metals to produce other goods, like carmakers, as well as some Defense Department officials.

Since the Commerce Department submitted its reports on the investigations to the president last month, the cases have not been mentioned in official statements, including the White

House's summary of its current trade actions released after the president's State of the Union address.

The resignation this week of Rob Porter, the White House staff secretary, who was responsible for organizing weekly meetings of White House trade advisers and bridging deep divides in views on trade among the staff, throws the fate of these measures into further question.

Depending on what happens at the World Trade Organization, the United States could see further retaliation against the solar tariff, said Allan T. Marks, a lawyer at Milbank, Tweed, Hadley and McCloy.

The World Trade Organization will now consider whether countries like China had sufficient opportunity to consult with the United States before the tariffs were imposed, and if the United States followed its rules for creating such temporary safeguards for its industries.

Mr. Marks declined to speculate on the potential results, but said that the most recent precedent could be troubling for the United States. The last time that the United States imposed these kinds of tariffs, on steel imports under President George W. Bush in 2002, the World Trade Organization ruled that they were illegal, clearing the way for countries to lawfully retaliate against the United States. Under the threat of retaliation, the Bush administration withdrew the steel tariffs in 2003.

"You could see retaliation from exporting countries like China that are hurt by the safeguard action," Mr. Marks said. "And we'll probably get there. That's what happened for steel."