

Tariffs and Economic Statecraft

April 23, 2025

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Two Takeaways

1. Tariffs are now a coercive instrument of statecraft.
2. The geopolitical aims of Trump's tariffs—esp China—are muddled.

1. Tariffs are now a coercive instrument of statecraft.

- Historically, tariff policy usually driven by parochial domestic (protectionist) economic interests.
- Trump has recast them as an instrument of statecraft, akin to sanctions.
- Goals may be mixed: economic and political, but also geopolitical.

Result: Critiques rooted in arguments about negative economic impact may prove less decisive or persuasive than in the past

2. The geopolitical aims of Trump's tariffs—esp China—are muddled.

- “Not a negotiation”...or is it?
- To what geopolitical end(s)?
 - Recast the global trading order in U.S. interests?
 - Recast alliances?
 - Isolate/decouple from China?



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The competition between democracies and authoritarian regimes will shape the future of global power. China and Russia, alongside North Korea and Iran, aim to weaken US influence. To prevail, the United States must integrate economic power into its strategy, counter unfair trade practices, and support key industries. This report urges President Trump to issue an executive order for a coordinated economic statecraft strategy and improved analytic capabilities to enhance decision making.

Tuesday, March 4, 2025 • 1 min read

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