

Talking Trade with Samantha Vortherms, an assistant professor of political science at UC Irvine

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The latest episode of “Talking Trade” features a conversation with Samantha Vortherms, an assistant professor of political science at University of California, Irvine.

Vortherms, a 2017 graduate of UW-Madison, discusses trade relations between the United States and China with hosts M.E. Dey & Co. President Sandi Siegel and UW-Madison Professor Ian Coxhead. She highlights recent research on how trade wars impact multinational firms operating in China.

“Tariffs do increase exits, but really it’s this broad political souring that’s pushing firms out,” she said. “And not just U.S. firms, but firms much more broadly.”

She found that large firms, and those that entered China about 20 years ago, were the least likely to leave the country amid the “souring” environment. Companies that are more entrenched in China with a stronger base of operations were “much less likely” to leave than other businesses.

“We really think that firm size, so how much capital they have, and their age — how long they’ve been there — are proxies for how well integrated they are, maybe the relationships that they develop locally that can kind of buffer,” she said. “Instead of shutting down to reduce costs, they then pass on the costs to consumers or somewhere else down the supply chain.”

Vortherms will join U.S. Rep. Ron Kind and Professor Enrique Dussel Peters of the National Autonomous University in Mexico for a virtual WisPolitics.com luncheon Feb. 17. The event will explore the decoupling of the United States and China's trade relationship, as well as challenges and opportunities for the Midwest.

Register for the Feb. 17 luncheon here:

https://docs.google.com/forms/d/e/1FAIpQLSfTXojGZfTNvU9sRKhcY-WL9MGnUqw9m_EH3POZDi6Yaewdaw/viewform