



## Transfer and Transition

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Over the past years of escalating trade disputes between China and the US, the latter has repeatedly highlighted a practice it considers anathema: technology transfers that US companies need to offer to their Chinese collaborators if they want to do business in the country. Donald Trump **railed** against them and Joe Biden **branded** them “unfair.” Across the other side of the Atlantic, European Commission President Ursula von der Leyen **explained** that such practices by China threaten Europe’s “economic and national security” and necessitate multipronged “de-risking” measures to unlink the two economies. In this framework, technology transfers are being “forced” by a major competitor.

But the demand that foreign investors help lower-income countries move closer to the technological frontier in exchange for facility siting or accessing their labor markets is nothing new. In fact, most now-industrialized countries employed **precisely** such policies when they were at lower levels of industrialization.