

[China may win with TPP's loss – at the expense of Boeing and Airbus](#)

President [Donald Trump](#)'s withdrawal from the Trans-Pacific Partnership trade deal could harm the nation's aerospace sector and buoy China's, analysts said this week.

Trump kept his campaign promise to torpedo U.S. involvement in the 12-nation trade agreement, saying it did not serve the interests of U.S. taxpayers.

On Monday, Trump indicated the TPP's demise and future trade deals with individual countries would result in "a lot of companies coming back to our country."

[Boeing](#) and Airbus are unlikely to experience negative consequences in the next five years or so, said AirInsight analyst [Michel Merluzeau](#) and Leeham News analyst [Scott Hamilton](#).

But the two aircraft manufacturers could lose out in the long run if China, which is not a TPP member, ramps up its aviation aspirations.

"Boeing supports TPP," Hamilton said. "China will be the biggest regional winner from U.S. isolationism, but it's still Boeing and Airbus — not China — that have an active and viable commercial aerospace industry. It will be decades before China can remotely compete."

Merluzeau agreed: "The market wants airplanes and capacity in Asia right now, especially single-aisle jets. The demand for widebodies is slower but will also come back. What I worry about are the longer-term elements."

TPP was also a U.S. geopolitical effort to counter China's increasing military, political and financial influence in Asia, so its death could create trouble 10-15 years from now, Merluzeau said.

"The Chinese are not advanced enough now (in jet-making) to influence other countries' aircraft purchasing decisions in the region now," he said, "but they could be one day."

Withdrawal from the TPP will make it harder for U.S. companies to shift future jobs overseas, said StrategicAero Research analyst [Saj Ahmad](#) said. But it is unlikely to result in aerospace companies bringing jobs that have already gone to TPP nations back to the U.S.

"While Trump may want work to come to U.S. soil," Ahmad said, "the reality of doing so may be much more difficult."

Boeing spokesman [Chaz Bickers](#) declined to comment on Trump's move.

Andrew McIntosh covers aerospace and manufacturing for the Puget Sound Business Journal.