



Trump touts tariff, officials deflect criticism of Taiwan call

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After Donald Trump's conversation with Taiwan's president, China lodged a formal complaint against the U.S. Video provided by Newsy Newslook)

Donald Trump and aides braced for a busy week Sunday by threatening tariffs on companies that move jobs overseas, while downplaying China's protest of an unprecedented phone call between the American president-elect and the leader of Taiwan.

Just days after praising a deal providing tax breaks to a company for keeping jobs in the U.S., Trump renewed his threat to slap tariffs on the products of companies that outsource in the future.

"There will be a tax ... soon" of 35% for companies that go overseas and try to sell goods "back across the border," Trump said during a Sunday tweet storm.

Trump aides, meanwhile, described the president-elect's call on Friday with Taiwanese President Tsai Ing-wen as congratulatory in nature and said it does not signal a change in the "one China" policy toward the government in Beijing, at least not right now.

"I think I would just say to our counterparts in China that this was a moment of courtesy," Vice President-elect Mike Pence told NBC's *Meet the Press*, noting that Trump had a similar congratulatory call with China President Xi Jinping, and "that was not a discussion about policy."

China, which claims Taiwan is a renegade province, protested Trump's call.

Pence also told NBC that Trump is preparing to take office on Jan. 20, and "we'll deal with policy at that time."

In putting together an administration, Trump is planning more appointments and post-election rallies in the days ahead.

The president-elect said last week that, on Monday, he would nominate James Mattis, a retired Marine Corps general, for secretary of Defense. Trump is also weighing a number of candidates for secretary of State.

On Tuesday, Trump plans to travel to Fayetteville, N.C., for the second stop on his "Thank You Tour" of swing states that gave him his Electoral College victory over Democrat Hillary Clinton.

Campaign tariff threat revived

During his Sunday series of tweets, Trump said no company should leave the United States because he plans to cut taxes and regulations, and those that do move jobs overseas will face consequences.

"Any business that leaves our country for another country, fires its employees, builds a new factory or plant in the other country, and then thinks it will sell its product back into the U.S. without retribution or consequence, is WRONG!" he said.

The tweets came days after Trump and aides celebrated a deal with the Carrier heat and air conditioning company, which abandoned plans to move some jobs to Mexico after the state of Indiana provided \$7 million in tax incentives.

Even some Trump supporters, such as former Republican vice presidential nominee Sarah Palin, bashed the Carrier deal as "crony capitalism."

Now, critics are taking aim at Trump's revival of a threat he made during the presidential campaign, saying his claim to tax products made by U.S. companies overseas will lead to higher prices for American consumers.

"Pres-Elect Trump means well," tweeted Sen. Ben Sasse, R-Neb. "But won't his 35% tariff idea raise prices on American families? How would it not be a new 35% tax on families?"

Pres-Elect Trump means well. But won't his 35% tariff idea raise prices on American families? How would it not be a new 35% tax on families? Chris Edwards, director of tax policy at the Cato Institute, a libertarian think tank, says introducing the 35% tariff "would have all kinds of negative and damaging repercussions."

For consumers, it could mean paying more for goods, he said. It could also affect U.S. multinational businesses who seek to broaden their reach globally by exporting goods into other countries.

"When, for example, Dupont or GE or other American firms set up facilities in Europe or Latin America or wherever, the main purpose is to penetrate those markets and to expand their global sales" which boosts U.S. exports, Edwards says.

In his Sunday tweets, Trump said his 35% tax "will make leaving (the U.S.) financially difficult."

Trump appeared to be provoked by news that Rexnord, the Indiana-based bearing manufacturer, is planning to move jobs to Mexico.

"Rexnord of Indiana is moving to Mexico and rather viciously firing all of its 300 workers," Trump tweeted over the weekend. "This is happening all over our country. No more!"

Downplaying Taiwan call

The Taiwan phone call also triggered a flap.

No U.S. president has spoken officially with a leader of Taiwan since the United States recognized mainland China as the sole government of the Chinese people in 1979. Under the "one China" policy, the U.S. acknowledges the Beijing government's claim that Taiwan is part of China.

Hitting the Sunday show circuit, Trump officials said the reaction to the Sunday phone call is overblown.

"It was just a phone call at this point," Trump adviser Kellyanne Conway said on *Fox News Sunday*, and "people shouldn't read too much into it."

In its statement on the call, Taiwan said the two leaders "exchanged pleasantries and shared their views and principles regarding key policy matters, particularly the need to promote domestic economic development and strengthen national defense so that citizens can enjoy better lives and increased security."

On Sunday, Trump also criticized China's policies on Twitter.

The Friday conversation with the Taiwanese president was the latest in a series of phone calls between Trump and foreign leaders that have raised eyebrows in the diplomatic community.

In a call with Pakistani Prime Minister Nawaz Sharif, Trump offered "to play any role you want me to play to address and find solutions to the country's problems," according to a readout from Pakistan.

Philippines President Rodrigo Duterte said Trump endorsed his aggressive war on drugs, one in which more than 2,000 people have been killed by police in what critics describe as vigilante justice.

In its protest to the U.S. government over Trump's call with the Taiwanese president, Beijing said, "There is only one China in the world and Taiwan is an inseparable part of the Chinese territory." The statement called the one China policy "the political foundation of China-US relations."

State-run media in China took a lower-key approach, with *China Daily* saying there is no need to "over-interpret" the Taiwan phone call, attributing it to the New York businessman's "inexperience in dealing with foreign affairs."

"If he could make the unusual action due to lack of proper understanding of Sino-US relations and cross-Straits ties he will have to recognize the significance of prudently and appropriately addressing these sensitive issues after being inaugurated," *China Daily* wrote.

Trump himself on Twitter Friday mocked critics by saying the leader of Taiwan called him.

In one post, the president-elect said: "Interesting how the U.S. sells Taiwan billions of dollars of military equipment but I should not accept a congratulatory call."

Pence, on NBC Sunday, said most world leaders will see the Taiwan call for what it is and predicted that "you're going to see in a President Donald Trump a willingness to engage the world but engage the world on America's terms."