



# THE AMERICAN SPECTATOR

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## Trump to Open Trade Talks

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In a week that saw members of Congress plead to President Trump to help companies affected by his tariffs, the U.S. Trade Representative's office indicated it was opening trade discussions with Japan, the European Union, and the United Kingdom.

"We will continue to expand U.S. trade and investment by negotiating trade agreements with Japan, the EU and the United Kingdom," U.S. Trade Representative Robert Lighthizer said in a statement. "We are committed to concluding these negotiations with timely and substantive results for American workers, farmers, ranchers, and businesses."

Those discussions cannot begin until 90 days after Lighthizer notifies Congress, which he did on Tuesday. That means the talks could commence in January, although the discussions with the UK could start later. The letter Lighthizer sent to Congress pertaining to Britain said the U.S. would begin talks at some point after that country exits the EU on March 29.

The Trump administration recently enjoyed a victory in renegotiating NAFTA, a new deal with Canada and Mexico called the U.S.-Mexico-Canada Agreement, or USMCA. (It admittedly doesn't roll off the tongue quite like the old acronym.)

Letters that Lighthizer sent to Congress indicate the administration will work to deal with both tariff and non-tariff barriers and achieve "fairer, more balanced trade."

The note pointed to Japan, a country with which the U.S. has a \$69 billion trade deficit that is largely affected by the automotive sector. Americans may love their Sony televisions, but Japanese consumers don't seem to care for Chevrolet pickup trucks.

During a summit with the U.S. last month, Japan's chief cabinet secretary, Yoshihide Suga, said such negotiations "will not be easy."

"But we would like to proceed with talks in line with our stance that we will push where necessary and defend our position where necessary, in a way that protects our national interests," Suga said.

U.S. Rep. Kevin Brady, R-Texas, who chairs the House Ways and Means Committee, said the three economies are among the most important trading partners for the U.S., "but they are also markets in which U.S. farmers, manufacturers and service providers face significant barriers."

Simon Lester, associate director of Cato Institute's Herbert A. Stiefel Center for Trade Policy Studies, wrote in a blog post this week that the negotiations won't be easy, especially in light of Trump's protectionist tariffs.

“[Negotiations] would have been easier if the administration had not imposed ‘national security’ tariffs on imports of steel and aluminum from these very same trading partners,” Lester wrote. “Nevertheless, almost two years into the Trump administration, there is finally a glimmer of hope that there could be some trade liberalization coming.”

Meanwhile, a bipartisan group of members of the U.S. House hope the Trump administration will listen to their pleas to allow American businesses to ask to be excluded from the president's latest slate of tariffs on Chinese imports.

The letter sent to Lighthizer on Monday says such a plan would allow “U.S. companies the opportunity to seek relief if tariffs harm their global competitiveness and would help target the effects of the tariffs on China rather than on U.S. companies and their customers.”

The letter points out that Trump has allowed companies to request exclusions under previous rounds of tariffs. His administration added 10 percent duties to \$200 billion worth of imports from China. That number will increase to 25 percent at the end of 2018.

CNBC pointed out that current House members running in pivotal races for Senate seats signed the letter, including Rep. Marsha Blackburn, R-Tenn., Rep. Kevin Cramer, R-N.D., and Rep. Kyrsten Sinema, D-Ariz. The outlet noted that North Dakotan farmers have been hard hit by retaliatory tariffs from China.