



Trump exposes fragile free trade consensus among Republicans

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When Sens. John McCain, R-Ariz., and Ben Sasse, R-Neb., came out against Robert Lighthizer's nomination for U.S. trade representative, it was billed as a Republican rebellion against President Trump on trade.

"Beyond your vocal advocacy for protectionist shifts in our trade policies, the administration's ongoing, incoherent, and inconsistent trade message has compounded our concern," the two senators wrote in a letter.

But the rebellion was short-lived. Lighthizer was confirmed by a vote of 82 to 14 Thursday, more than making up for the three Republican defections — Sen. Cory Gardner, R-Colo., joined McCain and Sasse in voting no — with over 30 Democratic supporters.

It hasn't been easy for Republican free traders in Congress since Trump became the titular head of the party and then the president of the United States. They sit politely as Trump denounces the North American Free Trade Agreement, for which 75 percent of congressional Republicans voted in 1993, as a "disaster."

They know Trump won Ohio, Pennsylvania, Michigan and Wisconsin on a "Buy American, Hire American" platform that discarded GOP trade orthodoxy.

Trump has filled key trade-related posts in his administration with relatively protectionist officials, including Lighthizer, economist Peter Navarro and Commerce Secretary Wilbur Ross. The administration argues they are making progress opening international markets to American goods through their tough stance, and on Friday, it celebrated China easing the sale of U.S. beef.

"They [Europe, Japan and China] talk free trade, but in fact what they practice is protectionism," Ross complained to the Financial Times last month. "And every time we do anything to defend ourselves, even against the puny obligations that they have, they call that protectionism. It's rubbish."

Polling has shown rank-and-file Republicans become much more skeptical of free trade deals since Trump's rise, while some Democratic voters have moved in the opposite direction.

"Democrats are all of the sudden Milton Friedman," said international trade attorney and Cato Institute adjunct scholar Scott Lincicome.

A September survey, for example, found that 85 percent of Republicans labeled free trade a net jobs destroyer while only 54 percent of Democrats said the same. The Pew Research Center found that 67 percent of Democrats and Democratic leaners believed free trade agreements had been good for the United States, while only 36 percent of Republicans agreed — up 7 points from last year but down 20 from 2015.

These big shifts are possible because many voters' trade policy views are loosely held. "Probably 30 percent is adamantly protectionist, 30 percent is adamantly pro-free trade," said Lincicome. "There's a great middle sloshing around depending on the economy, the party in power in the media. The [Republican] rank-and-file are simply parroting what they are hearing from Trump."

In the past, polls often found that voters had more sympathy for trade agreements when their party was in power and less when the opposition is making the deals. This is to a lesser extent true even among party elites.

Eighty-nine percent of congressional Republicans voted to give President George W. Bush fast-track trade negotiating authority in 2001, and 87 percent voted to do the same for President George H.W. Bush ten years earlier. In between, just 68 percent of GOP lawmakers voted to give Democratic President Bill Clinton this authority in 1998.

Republican free traders haven't gone completely silent even under Trump. Alongside Mexico and Canada, they played a role in getting Trump to reconsider a speedy withdrawal from NAFTA, which Sasse panned as a "disastrously bad idea."

"There still aren't many Republicans on the Hill who are with Trump on trade," said a GOP congressional aide who requested anonymity to speak candidly about the president.

Even border adjustment, a method of taxing imports that is not explicitly protectionist in its intent, has encountered significant opposition from Republican lawmakers and GOP-friendly business groups. House Majority Leader Kevin McCarthy, R-Calif., told Fox Business border adjustment would be "very difficult" to pass.

"We have an overtly protectionist president, overtly protectionist Democrats in Congress and quietly pro-trade Republicans in Congress," said Lincicome. That doesn't mean the president will necessarily come to define two parties on trade, however.

Democrats continue to rely heavily on labor unions and environmentalists who are skeptical of free trade. Republicans would have to continue to consolidate the support of the white working class post-Trump to become enduringly protectionist.

"Trump is sui generis, a unique thing," Lincicome said. "If the next Republican candidate shifts back to a pro-trade position, it [the GOP flirtation with trade restrictions] could be all over."