

Infosurhoy

Trump slams Trump: President signs document rebuking own views on trade, Canada

Alexander Panetta

February 28, 2018

WASHINGTON — Donald Trump’s views on trade have been clobbered in a report released by the White House — and signed by none other than the president of the United States himself.

The self-rebuke includes some of his talking points about Canada.

The president regularly bemoans a trade deficit with the northern neighbour and was complaining again on Monday about Canadian trade, saying: “We lose a lot with Canada. People don’t know it. Canada’s very smooth. They have you believe that it’s wonderful. And it is, for them. Not wonderful for us.”

But a different story is told in the newly released 2018 White House “Economic Report of the President” — an annual document prepared by Trump’s own team, in which Trump’s own signature appears below the introductory foreword.

It contradicts a number of trade statements and policies already articulated by Trump.

One example involves the supposed trade deficit with Canada. Trump keeps insisting it exists, but the document he signed states Canada is among the few countries in the world with whom the U.S. runs a surplus.

The document states that in three different places. For example, it says, “All countries show a (U.S.) services surplus offsetting a goods deficit, with the U.S. running a net bilateral surplus only with Canada and the United Kingdom.”

And again: “The United States ran a trade surplus of \$2.6 billion with Canada on a balance-of-payments basis.”

And once again: “The United States has free trade agreements ... with a number of countries — some of which represent net trade surpluses for the United States (Canada and Singapore), and some of which represent deficits (Mexico and South Korea).”

There’s more.

The report also contradicts the president by saying trade has helped the U.S. economy grow, that economies are shifting away from manufacturing, that foreign trade is increasingly important, that America has a good record of success in international dispute panels at the WTO, and that reworking trade agreements is no way to address a trade deficit.

“Trade and economic growth are strongly and positively correlated,” says the White House report.

The report does concede that trade deals create winners and losers in a country. But it says the states along the border have been the biggest winners in NAFTA. It concludes that, in general, trade creates jobs and wealth, and cites a study that every percentage point increase in trade-to-GDP ratio raises per capita income by between 0.5 and 2 per cent.

“(This) is a stunning rebuke of ... the president and his trade team,” Scott Lincicome of the pro-market Cato Institute tweeted after the report was released last week.

The 563-page document was produced by Trump’s Council of Economic Advisers. He appointed the council.

Meanwhile, there are reports in U.S. media that Trump is looking to promote trade hawk Peter Navarro to a more prominent position in the White House.