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The Daily 202: American whiskey exporters are watching Biden's European summit

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President Biden has a chance to cure a Trump-era policy hangover when he meets this week with European heads of state: Tariffs on American whiskey, which have hurt U.S. exporters coast to coast and cost hundreds of millions of dollars as well as untold numbers of jobs.

The president will hold virtual talks Thursday with <u>the European Council</u>, his first such summit since the confirmation earlier this month of Commerce Secretary Gina Raimondo and U.S. Trade Representative Katherine Tai.

It's an opportunity for Biden to follow through on campaign-trail promises to reset the economic relationship with close allies — but also a test of what he will do with the sweeping tariffs he inherited from his predecessor, including those that drew retaliatory tariffs from Europe on products like whiskey. Biden's opportunity for dram diplomacy comes as the clock is ticking: The E.U. tariffs on American whiskey double to 50 percent come June 1.

Biden "will engage with European Union leaders about his desire to revitalize U.S.-EU relations, work together to combat the pandemic and address climate change, and deepen the world's largest trade and investment relationship," the White House said in a statement.

That relationship was on the rocks under President Donald Trump, who imposed <u>tariffs on European aluminum and steel exports</u> to the United States in 2018 and <u>took aim at other products a year later</u> in a long-running dispute about aircraft-makers Boeing and Airbus. Both drew E.U. retaliation.

Biden has moved to soothe the second dispute. On March 5, he and European Commission President Ursula von der Leyen spoke by telephone and <u>announced a four-month suspension of those tariffs</u>. That was good news for American consumers of <u>European cashmere</u>, cheese, <u>French wines</u>, <u>pork products</u>, and <u>Scotch whisky</u>, all targeted by Trump.

It also showed Biden is looking to defuse trade tensions with the E.U.

"This will allow the EU and the US to ease the burden on their industries and workers and focus efforts towards resolving these long running disputes" at the World Trade Organization, the United States and European Union said in a joint statement at the time.

But that truce did not extend to the metal feud, and therefore did not ease the burden on American whiskey exporters, who looked to Europe as a booming market in the years before the tit-for-tat tariffs.

In their aftermath, annual exports to the European Union, American whiskey's largest foreign market, plunged 37 percent, slipping from \$702 million to \$440 million from 2018-2020, according to the Distilled Spirits Council of the United States (DISCUS), an industry group. And yearly exports to the United Kingdom, the fourth-largest market, plummeted 53 percent, from \$150 million to \$71 million over the same period.

(While the pandemic surely did not help, a DISCUS graph shows that the steepest fall came in the period from 2018-2019.)

While "American whiskey" necessarily evokes Kentucky and Tennessee, **37 states were exporters in 2020, according to DISCUS.** They included California, Texas, Florida, Arizona, Virginia, New York, Nevada and Vermont.

"We're encouraged overall about some of the steps that have been taken so far to reset the relationship," Christine LoCascio, DISCUS chief of public policy, said in an interview. **But "we have more work to do."**

Yesterday, 47 associations from the industry announced the "Toasts Not Tariffs" coalition, to forestall the June 1 spike and to press for the permanent removal of all E.U., U.K. and U.S. tariffs on booze.

"Our hope and our effort," LoCascio said, is to "urge our administration to understand and underscore how important it is that they don't let that happen and that they work towards, as fast as they can, an end to those tariffs."

Biden has, at times, seemed ambivalent about tariffs — at least those on Chinese exports.

He told The New York Times in December he would make no "immediate moves" to lift them.

Raimondo said earlier this month <u>Trump's tariffs were "effective"</u> (she seemed to be referring to the ones on Chinese goods). In her confirmation hearing, Tai acknowledged "the disruption and the pain" of reciprocal U.S.-E.U. tariffs but called them "a legitimate tool in the trade toolbox."

Trade experts aren't bullish about a breakthrough this week. For one thing, it's early.

"There is still an internal process of sorting out the direction of U.S. trade policy, with the progressives and moderates battling for influence," said Simon Lester of the Cato Institute. "Tai's U.S.T.R. team will definitely be reaching out to their E.U. counterparts to see whether they can settle their differences on W.T.O. issues and coordinate a strategy regarding China, but it may take a couple months before we hear any details."

At least one of Biden's congressional nemeses would be pleased with progress: Republican Senate Minority Leader Mitch McConnell of Bourbon-making Kentucky, who urged Tai to banish "these unfair international headwinds."

"Americans would welcome the growth in opportunity and prosperity," <u>he said in a statement</u>. "And if you ask me, the whole world could benefit from a little more Kentucky bourbon."

What's happening now

Senate Minority Leader Mitch McConnell (R-Ky.) accused the Biden administration of making "no effort whatsoever" to work with Republicans. In an appearance this morning in

Fox News, McConnell said he had neither been invited to the White House nor spoken to the president on the phone since Biden took office, <u>John Wagner reports</u>. "I don't believe I've spoken with him since he was sworn in," McConnell said of Biden. "We had a couple of conversations before then."

Moncef Slaoui, the pharmaceutical industry veteran and vaccine specialist who led Trump's Operation Warp Speed, was fired from the board of medical company GlaxoSmithKline today over allegations of sexual misconduct. "The alleged misconduct occurred 'several years ago' and was aimed at another employee of GlaxoSmithKline while Slaoui also worked for the pharmaceutical giant, the company said in a statement. Trump tapped Slaoui to lead Operation Warp Speed in May 2020," Christopher Rowland and Laurie McGinley report.

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Lunchtime reads from The Post

- "<u>For Louis DeJoy, USPS plan is a reflection of hard choices and new realities,</u>" by Jacob Bogage: "DeJoy is banking on wide-reaching service cuts and targeted new investment to save the nation's embattled mail service \$160 million over the next decade. He's also intent on resetting expectations."
- "Netanyahu's political future unclear as early vote tallies show no certain winner in Israeli election," by Steve Hendrix and Erin Cunningham: "Israeli Prime Minister Benjamin Netanyahu's political future was uncertain Wednesday after his coalition failed to secure an outright majority in the country's parliamentary elections, according to a partial vote tally. The embattled leader's right-wing Likud party appeared to win the most seats in Tuesday's polls. But his path to governing majority grew more difficult as the official vote count continued. Final results are not expected until later this week."

... and beyond

- "<u>Biden readies for 1st news conference, White House tradition</u>," by the AP's Calvin Woodward: "Depending how you count, Biden is a little or a lot behind his recent predecessors in opening himself to questions in what historian Martha Joynt Kumar calls the 'high-risk, high-reward' enterprise of presidential news conferences."
- "No, the 'presidential salute' isn't a thing and neither is the 'vice presidential salute,"" by Task & Purpose's James Clark: "Early Monday evening a video began making the rounds on social media showing [Kamala Harris] walking to the ramp of Air Force Two and right past a line of saluting airmen. As the vice president strolled by, she rendered no return salute to her honor guard. ... Whatever reason Harris had for not returning the salute, there's one indisputable fact: She didn't have to anyway. ... But that hasn't kept people from losing their minds, from former New York Police Commissioner Bernard Kerik, to conservative talk show host Charlie Kirk, to Fox News anchor Sean Hannity."

At the table

Today we're lunching with <u>Karyne Jones</u>, president and CEO of the <u>National Caucus and Center</u> on <u>Black Aging</u>, one of three founding organizations of the <u>COVID-19 Vaccine Education and</u>

<u>Equity Project.</u> That's a coalition of more than 175 organizations focused on advancing public education around coronavirus vaccines.

Knox: What's the biggest challenge today when it comes to vaccine education?

Jones: The biggest challenge right now is access to the vaccine. Early on in this process, we were very concerned about hesitancy — and that's still an issue. But we feel like we're getting so many more people who are interested in taking the vaccine, and wanting to know where they can take it and when they can take it and how do they navigate the system of getting appointments. That's the biggest issue for our organization now.

Knox: How do you overcome that?

Jones: We had a lot to overcome. First of all, we had to deal with the fact that people were scared. This pandemic came on us so quickly we didn't have a lot of information. People were afraid. And communities of color —because it was so harmful — the virus was really disproportionately hitting our communities, we had to deal with a lot of fear, hesitancy, early on in this process.

As time moved on, as organizations like mine and another 175 other organizations who came together to make sure that we reached people and gave them information about the vaccine — the process, the clinical trials, the regulatory process. As long as we gave them information, they felt a whole lot better. So we've moved somewhat off the hesitancy, more to access. And we're seeing a lot more of the vaccine being distributed to local and more community organizations, which makes it a lot more accessible to people.

Knox: There's been a lot of frustration from Americans trying to figure out whether they're eligible, and when, and where they can get the vaccine. What would you tell a friend who said they couldn't figure any of this out?

Jones: I had many, many friends calling me up because just by virtue of being a part of this project ... they knew that I had been watching and been involved in it. So I had many, many friends who were just frustrated. Good people who wanted to get the vaccine and understood that it was important that they do so.

That was one of the reasons that we started this project and that we were able to work with so many different varieties of organizations, because we knew that through those different networks, those different constituencies, we could reach people and give them the information needed.

And now, as a result of bringing attention to it, knowing that people want to get the vaccine, we're seeing more and more community and local organizations and churches providing access and it makes a world of a difference.

Knox: I understand that you overcame your own vaccine hesitancy? What were your worries? How did you overcome them?

Jones: Being African American, I certainly know and understand the long history of medical experimentation and just the concern that we've always had of the health-care system in general. It goes far beyond the Tuskegee project which you hear about. It goes to health and equity and health-care access not only for me, my family, but my community.

My hesitancy was there. It was 'all of a sudden you're telling me that there's this virus and in so many months we're going to have a vaccine.' It just seemed like it was very quick. But as I got involved, I knew it was important for me as part of the aging community with so many seniors being affected by this virus, I had to be able to get the information so that I could share it.

And once I got involved, once I was a participant in briefings and webinars with experts who in all realms of the pandemic could give us information, once we followed the regulatory process, we saw that they followed the gold standard in terms of approval I became much more inclined to take the vaccine. And now I couldn't wait to get mine. I'm fully vaccinated. It feels like I have a freedom.

It was so funny, when I got to the place where I got mine people were so happy! It was almost as though they'd struck gold. It's a jubilant place even though it was busy and there were lots of people. People were very excited about getting this vaccine. I think people feel like not only were they protecting themselves, but they're protecting their family members and their community and they understand this is a collective effort, that we're all in this together.

Knox: Is there an early lesson from this pandemic that you think we need to learn in order to better handle the next pandemic?

Jones: The one thing I can tell you from my perspective is that if there's any light that shined from this pandemic, it was that we have to address our health and equity system in this country. That's one of the things that we know that people who were most affected, who were either hospitalized or died, were the people who did not have the kind of health-care access. There will be others. We've got to make sure that people can have all the information they can so they can live healthy and dignified lives. And that's my hope out of this process, that we not only spend time teaching them about this vaccine but that we help people to understand there's a personal responsibility on health. But also we have to make our health-care system responsible to our communities so we can have a healthy and productive society.

The first 100 days

A delegation of Congress members and White House officials will travel to the border today.

- The Department of Health and Human Services will allow one network camera to accompany the group on its visit to the migrant facility in Carrizo Springs, Tex., our colleagues <u>report</u>.
- Biden will hold a high-level immigration meeting, which will include Vice President **Harris**, Homeland Security Secretary **Alejandro Mayorkas**, Health Secretary **Xavier Becerra** and immigration advisers, John Wagner reports.
- Harris said she and Biden would "absolutely" be visiting the border, but did not give a date during an interview today with "CBS This Morning." Harris acknowledged that the number of migrants arriving to the U.S.-Mexico border is a "huge problem," Wagner reports. "I'm not going to pretend it's not," she said. "Are we looking at overcrowding at the border, particularly these kids? Yes." The vice president said more needs to be done to process asylum cases faster and to ensure that migrant children are in custody of the Department of Health and Human Services rather than Border Patrol.

The White House agreed late last night to add a senior-level Asian American Pacific Islander liaison.

- "The decision came after Sens. **Tammy Duckworth** (D-Ill.) and **Mazie Hirono** (D-Hawaii) vowed Tuesday afternoon to vote no on Biden's 'non-diversity' Cabinet nominees until the White House addressed the issue," <u>Amy B Wang, Seung Min Kim,</u> Felicia Sonmez and Marianna Sotomayor report.
- All of Biden's 15 Cabinet secretary slots have been filled, none of them by Asian Americans or Pacific Islanders, making it the first time in more than 20 years that a president's Cabinet has not included at least one AAPI secretary. "The White House did not immediately respond to questions about who might fill the role or whether it was a new position," per our colleagues. "The White House has for several years had a liaison to the AAPI community."

The administration is considering extending a soon-expiring ban on renter evictions.

• The consideration comes as the government seeks to buy more time for the estimated 10 million families who've fallen behind on rent, <u>Tony Romm and Lena Sun report</u>. The extension under discussion could run at least through July.

Republicans and their allies are drafting "best practices" for their efforts to restrict voting.

- "In late January, a small group of dedicated volunteers from the conservative Heritage Action for America met with Republican legislators in Georgia, delivering a letter containing detailed proposals for rolling back access to voting. Within days, bills to restrict voting access in Georgia began flooding the Legislature," the Times's Nick Corasaniti and Reid Epstein report. "Of the 68 bills pertaining to voting, at least 23 had similar language or were firmly rooted in the principles laid out in the Heritage group's letter and in an extensive report it published two days later. ... The alignment was not coincidental. As Republican legislatures across the country seek to usher in a raft of new restrictions on voting, they are being prodded by an array of party leaders and outside groups working to establish a set of guiding principles to the efforts to claw back access to voting."
- It's not only Georgia. Heritage "has claimed credit for a new Arizona law, signed last week by Gov. Doug Ducey, that requires the secretary of state to compare death records with voter registrations. ... Party leaders and their conservative allies are planning to export successful statutory language from one state to others, like the text of Alabama's voter ID law."
- "And the Republican National Committee has created an 'election integrity' committee, a group of 24 R.N.C. members tasked with developing legislative proposals on voting systems. ... [It's lead by] **Joe Gruters**, the Florida Republican Party chairman who in January used a #stopthesteal hashtag and advertised ways for Republicans to attend the Jan. 6 rally."
- While Republicans are working at the local level to change election laws, in Capitol Hill, Democrats still have their eyes on a voting-rights legislation that is already putting

Sen. **Joe Manchin III** (D-W.Va.) in a corner. "West Virginia election officials are lobbying Manchin to oppose his party's voting-rights legislation, again underscoring his pivotal role as the Senate's most prominent centrist," the WSJ's Alexa Corse and Lindsay Wise report. "Manchin is the only senator on the Democratic side of the chamber who isn't listed as a co-sponsor of the legislation. Last week he told reporters he was still reviewing it."

The Boulder shooting

Harris said it's "time for Congress to act" to ban assault weapons.

- Echoing the <u>call</u> from Biden for Congress to act after the second mass shooting in less than a week, Harris told CBS News "there is no reason why we have assault weapons on the streets of a civil society. These are weapons of war."
- "Harris declined to say whether Biden would take executive action if Congress would not act," <u>Timothy Bella reports</u>.

Our colleagues wrote a painful recapitulation of the shooting that left 10 Americans dead.

- "It was 2:30 p.m. on a cold, gray Monday in Boulder, clumps of snow still on the ground. And at the King Soopers, part of a sprawling shopping center near a senior living center, two churches and a Montessori school, another man with a gun was killing people," Jennifer Oldham, Frances Stead Sellers, Shayna Jacobs and Marc Fisher report. "The 911 calls poured in. By 2:40 p.m., Boulder police were en route to an active shooter situation. ... The calls came from people outside and from people hiding inside the store. And then callers said that the shooter had fired at police who had arrived and entered the store."
- "The shooter was silent, witnesses said. He shot in spurts, all around the store, while shoppers fled out any door they could find, or hid in closets, or in storerooms, or in bathrooms," our colleagues write. "About 3 p.m., an armored police vehicle arrived and rammed through the store windows, creating a clear view into the market. ... [At] 3:28, about an hour since the shooting had begun, and police had their suspect. ... [Then, officials] found 10 victims seven in the store, two on the ground out front and one in a car in the lot."
- A team of Post reporters <u>compiled stories</u> of the 10 victims, who ranged age from 20 to 65 and came from all walks of life.

Hot on the right

The New York Post's Editorial Board called for a ban on weapons of war in America's streets. "The New York Post does not see this as a conservative or liberal issue — it's an issue of life and death. Curbing guns is what led to New York City's three-decade reduction in murders. And, sadly, it's the dismissal of that progress that has led to a rise in shootings here," the board wrote. "We called on President Donald Trump to act, and we'll happily support Biden in a fight for the needed changes. Polls show most Americans want this. It's the political establishment that is frozen."

Hot on the left

"Major and Champ Biden, the first family's dogs, have returned to the White House after a two-week stay in Delaware following an aggressive incident that resulted in a minor injury to a Secret Service agent and led to Major spending some time with a trainer," John Wagner reports. Major was spotted by photographers yesterday at the White Houe as Biden left for a trip to Ohio.

Major agency watchdogs, visualized

Biden <u>has not yet made any nominations</u> for any of the 13 of the Congress-confirmed inspector general positions that are vacant and being filled in an acting capacity. Trump officials <u>hindered</u> at least nine key oversight probes and some may finally be released in coming months.

Today in Washington

The Senate is poised to confirm **Rachel Levine** as assistant secretary of health today, making her the first openly transgender, Senate-confirmed federal official in U.S. history.

The president and first lady Jill Biden will host an event marking Equal Pay Day with **Megan Rapinoe**, **Margaret Purce** and other U.S. soccer stars. The date of Equal Pay Day changes annually, because it symbolizes how far into the year the average woman must work to earn what the average man earned the previous year.

Quote of the day

"Looks like we might be here for a little bit," <u>said</u> an engineer aboard a boat caught behind the Ever Given, a gigantic cargo ship that got stuck across the Suez Canal on Tuesday. The Ever Given — one of the largest in the world at more than 1,300 feet long — got trapped due to a dust storm.

In closing

Stephen Colbert slammed politicians for not moving on gun control.