



The Phyllis Schlafly Report

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How Trump Wins on Trade

When President Trump announced he would protect American jobs by imposing tariffs on foreign-made steel and aluminum, naysayers of both parties rushed to the nearest microphone or TV camera. Pundits and politicians alike pretended to be “shocked, shocked” that Trump meant what he said as a candidate, and that he actually means to deliver what he promised during the campaign.

The Swamp, in short, was not happy. But cheers rose from the manufacturing belt that runs through the states that put Trump in the White House: Pennsylvania, Ohio, Michigan, Indiana, Wisconsin, and Iowa.

“This is a good thing for the steel industry and for our country,” said Tim Timken, the fifth-generation leader of TimkenSteel, which has 3,000 employees in Ohio. “We’re standing up to our foreign competition and essentially saying enough is enough,” he added.

While foreign lobbyists warned of a new “trade war” in which other countries retaliate against the United States, U.S. Steel CEO David Burritt pointed out that “We are, and have been, in a trade war for decades. Countries which have economically prospered by creating our current trade imbalance will face repercussions to their own economies if they choose the path of retaliation.”

Peter Navarro, director of the White House Office of Trade and Manufacturing Policy, debunked the notion that the United States could lose a trade war with Europe or Asia. “We are the most lucrative and biggest market in the world. We have the lowest tariffs in the world, we have the lowest non-tariff barriers, we are the free-tradingest nation in the world.”

“And what do we get for that?” Navarro asked. “We get every year a half-trillion-dollar trade deficit that transfers our wealth to other countries and basically offshores our jobs and our factories. All we are asking for is fair and reciprocal trade.”

The rest of the world wants unlimited access to the American consumer without complying with American regulations and without paying American taxes. “Under

my administration,” Trump boasted in his speech to CPAC in February, “the era of economic surrender is over.”

“We’re renegotiating trade deals that are so bad, whether it’s NAFTA, whether it’s the World Trade Organization, which created China. China has been like a rocket ship ever since, and last year we had almost a \$500 billion trade deficit with China” — money that finances the growing Chinese military.

Critics are exaggerating the cost to consumers by adding a tax to foreign-made steel and aluminum. Commerce Secretary Wilbur Ross ran the numbers and found that the aluminum tariff would add just six-tenths of a cent to the cost of a soup or beer can, while the steel tariff would add about \$175 to the cost of a \$35,000 car.

Tariffs are much like the out-of-state tuition that state colleges charge students whose families have not supported the college through taxes. Most state colleges require out-of-state students to pay more, and most people fully support that sensible requirement.

Similarly, tariffs help level the playing field between offshore manufacturers that escape the extra burdens and costs of operating a business in America and providing jobs to Americans. Requiring those foreign companies to pay more for the privilege of selling to American consumers is perfectly logical given how the foreigners have not been paying American taxes or complying with our regulations.

The resistance to tariffs comes from the same never-Trumpers who assured us that Trump could never be nominated or elected. Peter Navarro noted that nearly all the other presidential candidates opposed Trump on trade, but “guess what? He beat them.”

Thirty years ago, when Donald Trump was in his early 40s, his views on trade were much the same as they are now. He told Larry King that he was “tired of watching other people ripping off the United States.” He told Oprah, “I’d make our allies pay their fair share.”

Trump told Letterman that nations such as Japan have “totally taken advantage of the country. I’m talking about

the [trade] deficits. They talk about free trade [but] they dump the cars and everything else.”

Democratic Senator Joe Manchin, who supports the Trump tariffs, observed that “Free trade hasn’t worked well for West Virginia.” Maybe that explains why Trump carried West Virginia with 69 percent of the popular vote, a whopping 42-point margin over Hillary Clinton in that formerly Democratic state.

Just as entrenched politicians in D.C. have blocked Trump’s efforts to build a Wall, they also protest too much at his effort to impose a few tariffs. Yet the approach of a tariff-less society has been a catastrophic failure for the American worker, so it is time to try the approach that originally made our country great.

Winning the ‘Trade War’ with China

From the day he announced for president, Donald Trump spoke of how the United States was losing ground to other countries, especially China, in international trade. We’re not winning anymore, Trump complained throughout the campaign, and he promised to change that.

Trump has fulfilled every expectation on the trade issue. Unlike most politicians who promise one thing and then do another after the election, Trump has followed through on his campaign promises on trade.

As Trump tweeted on Saturday, April 7: “The United States hasn’t had a Trade Surplus with China in 40 years. They must end unfair trade, take down barriers and charge only Reciprocal Tariffs.”

“The U.S. is losing \$500 Billion a year, and has been losing Billions of Dollars for decades,” Trump added. “Cannot continue!”

Trump tweeted again on Monday, April 9: “When a car is sent to the United States from China, there is a Tariff to be paid of 2 1/2%. When a car is sent to China from the United States, there is a Tariff to be paid of 25%.”

“Does that sound like free or fair trade. No, it sounds like STUPID TRADE - going on for years!”

With his new actions on trade with China, President Trump has brought the era of bipartisan pusillanimity to an end. Trade wars always exist, and now our side is finally going to fight back.

For at least two decades, Republicans and Democrats alike have known about and tolerated China’s systematic violations of trading rules that the United States observes. Our leaders have refused to do anything about China’s lawless behavior, primarily because the Wall Street donors who finance both parties have fomented fears about a trade war.

The China problem emerged in the year 2000, when Republican Congressional leaders (including the future Speaker of the House, Paul Ryan, and the future Senate Majority Leader Mitch McConnell) conspired with

President Bill Clinton to give China preferred access to the American consumer market. Normal trading privileges paved the way for China’s entry into the World Trade Organization in 2001, despite its failure to meet basic requirements for membership.

Phyllis Schlafly strongly opposed the trade giveaway to China, which never would have attained the 2/3rds vote required by the Treaty Clause in the Constitution in order to pass. So instead this handout to China was passed as a non-treaty.

One-fourth of House Republicans voted against their leadership in 2000, while two-thirds of House Democrats voted against their president. The naysayers were proved right as China continued to flout the rules for the next 18 years and still shows no sign of real reform.

In its early years of access to the American market, China profited by paying extremely low wages to people making ultra-cheap products. Now China is rapidly moving up the food chain to sell us high-quality products containing innovative technology that was created and developed in the United States.

How did the Chinese get their hands on the latest American high-tech know-how? First, by stealing it: China’s commercial espionage is estimated to cost U.S. companies over \$20 billion a year, with a cumulative total of \$600 billion over 20 years.

China also forces American companies to share their technology as the price of access to the Chinese market. Such requirements are supposedly prohibited by the WTO, but with no one stopping them, the Chinese trade surplus in goods reached a new all-time record of \$375 billion last year.

“We have a tremendous intellectual property theft situation going on,” the president said on March 22 as he signed an order that could eventually impose tariffs on hundreds of Chinese products. As Peter Navarro, director of the White House National Trade Council, explained, “What the United States is doing is strategically defending itself from China’s economic aggression.”

Even long-time free-traders are starting to see the light. Lawrence Kudlow admitted on Sunday, April 8, that “the whole world knows China has been violating trade laws for many years” and “President Trump is the guy calling them on it, and he’s right.”

“This is a problem caused by China, not a problem caused by President Trump. I would go so far as to say Trump is there to fix the problem,” Kudlow explains.

“His argument, and it’s a good one” is this: “You can’t have free trade unless China brings down its barriers, opens up its markets, and stops this technology steal that they’re doing,” Kudlow adds.

Peter Navarro properly observed the same day on a different network, “What we want from China is very clear.

We want fair and reciprocal trade.”

“We want them to stop stealing our stuff. We want them to guard intellectual property, not take it from us,” Navarro concluded.

China has far more to lose in a trade war than the United States does. Indeed, our job market would improve if tariffs reduced our massive trade imbalance with China, and Trump is right to take strong steps toward that goal.

Trump Ends Globalism at the State Department

Outgoing Rex Tillerson is, by all accounts, a very likeable fellow, and no one wants to kick someone when he is down. But President Trump wisely fired him as secretary of state for having an outlook different from Trump’s, and from the agenda Trump was elected on.

We have “different mindsets,” Trump said about Tillerson, as a polite understatement. “We got along, actually, quite well, but we disagree on a lot of things.”

Indeed. Tillerson was the CEO of ExxonMobil, one of the largest multinational corporations in the world. No one could hold that position without being a globalist and he did not convert quickly enough to make America great again.

Tillerson was never on the same page as President Trump in standing up against, not with, the many parts of the world that are hostile to our sovereign interests. A supporter of phony free trade, Tillerson seemed more like the appeasement-type of secretary of state that we would expect if Hillary Clinton had won the presidential election.

It is not merely that Tillerson thought Obama’s sweetheart deal with Iran was “okay,” as Trump complained in announcing his termination of Tillerson. It was also that Tillerson would say and do things out-of-sync with what the America-First stance needs to be.

Tillerson was mistakenly trying to use diplomacy with the North Korean communist dictator Kim Jong-un while Trump was pursuing tougher measures. When Trump finally got Tillerson to stop groveling, the situation improved.

Even the media concedes that Tillerson’s departure will not hinder Trump’s highly effective handling of North Korea, which is all-Trump and contrary to Tillerson’s approach. If anything, a successful outcome of the North Korean crisis is more likely with Tillerson gone.

Given how often Tillerson disagreed during his confirmation hearing with Trump’s positions, it is surprising that Tillerson lasted as long as he did. In merely one day of testimony Tillerson disagreed with Trump about the harmful Trans-Pacific Partnership, Russian policies toward the Ukraine, so-called climate change, and the need

for Japan and South Korea to develop nuclear weapons.

President Trump indicated that the upcoming renegotiation of trade deals was a reason for his timing in letting Tillerson go now. Trump recently stood up against China by blocking the foreign takeover of Qualcomm, thereby signaling that American technology secrets are not for sale to foreign countries hostile to us.

CIA Director Mike Pompeo, who has long been a much stronger Trump supporter than Tillerson ever was, will step in without the baggage of a globalist mindset. Pompeo brings a welcomed enthusiasm and focus that Tillerson unfortunately lacked.

“Tremendous energy, tremendous intellect, we’re always on the same wavelength,” Trump said about Pompeo after picking him. “The relationship has been very good, and that’s what I need as secretary of state.”

In addition to his stellar record of being first in his class in West Point and then serving in the Army, Pompeo has a strongly conservative track record as a congressman from Kansas. His positions include being outspokenly pro-life and taking many stances that fit hand-in-glove with those of Trump and the conservative movement.

Phyllis Schlafly praised the freshman congressman Pompeo in early 2011, for sponsoring a budget amendment that would have cut \$8.5 million from the EPA’s Greenhouse Gas Registry. She applauded how Pompeo observed that the registry would be “the very foundation of the EPA’s effort to pursue its radical anti-jobs agenda.”

Unlike Tillerson, Pompeo has been a leader in cracking down on terrorists from Muslim countries. When confronted with an alleged hunger strike at the Guantanamo Bay detention camp for terrorists, Pompeo took it upon himself to personally visit the camp and quipped afterwards that it looked to him “like a lot of them have put on weight.”

For months it has been perceived that Tillerson, who is younger than Trump but appears older, has been unhappy in his position. He failed to fill key vacancies in his department despite being on the job for more than a year, and at key moments seemed to be in his home state of Texas rather than in D.C.

Trump was perceptive in his post-firing comments: “I think Rex will be much happier now, but I really appreciate his service.” With Mike Pompeo in charge at the State Department, Americans can be more confident that the interests of the United States will be foremost in any foreign policy decision-making.

It took a year, but we have finally arrived to the point of “let Trump be Trump,” reminiscent of the moment in 1984 when “let Reagan be Reagan” started to carry the day. President Trump is acting boldly on his instincts rather than being blocked and dissuaded by naysayers around him, and there is no limit to what he can achieve with this approach.

Standing Up to Globalism

President Trump's stand against world pressure for him to continue the one-sided deal with Iran is a defining moment in world history. His announcement on May 8 to terminate the agreement is a watershed signifying the end of globalism.

One small event for man, one big moment for mankind, to paraphrase Neil Armstrong's words when he landed on the Moon. It is not the interaction between the United States and Iran that is so significant here, but the rejection of the world order that has reigned supreme since World War II.

The wrong path of globalism will no longer be the road for our country, as President Trump wisely charts a new course in which international deals must be as fair to the United States as they are to foreign countries. Just as important is how the United States will no longer bow to pressure from Western Europe or anyone else about how we manage our foreign policy.

A few days earlier, the use of the word "Orwellian" from the White House in rebuking China for trying to boss around our airlines likewise signaled the dawn of this new era. Communist China insisted that airlines stop referring to Taiwan because China is in denial about the independence and freedom of that island nation, which was formed by those who fled the communist Chinese revolution in 1949.

In 1971, globalists seeking to appease communist China arranged for the United Nations to expel Taiwan, whose real name is the Republic of China. Early the following year, globalist Henry Kissinger persuaded President Richard Nixon to turn his back on Taiwan by visiting the communist People's Republic of China and giving it legitimacy.

Then, in over-the-top bravado by Nixon that would have made Trump blush, Nixon declared that his trip to China was "the week that changed the world." Eight months earlier, the *Phyllis Schlafly Report* warned that Nixon had lost the confidence of the grassroots, and the subsequent Watergate operation that got him in trouble arose from serious doubts about his winning reelection.

China and globalists have been trying to ostracize Taiwan ever since. They have even prevented Taiwan from competing in the Olympics as the independent country that it is, since 1976.

But the sentiment on the island of Taiwan is increasingly independent, as globalism is being rejected there like almost everywhere else. Taiwan's current president, Tsai Ing-wen, is more willing to assert the nationalism that Trump asserts for Americans.

Recently China demanded that businesses stop referring to Taiwan, Tibet, and Hong Kong as countries. Quickly Marriott, the hotel chain associated with globalist Mitt Romney, caved in and pandered to communist China by apologizing to it.

China made its demand on 36 foreign airlines, insisting that they stop referring to Taiwan as a country. Many of these airlines are American carriers, such as Delta which has already apologized.

But President Trump, more so than any president since World War II, rejects globalist pressure like China's demand. Trump will "stand up for Americans resisting efforts by the Chinese Communist Party to impose Chinese political correctness on American companies and citizens," press secretary Sarah Huckabee Sanders announced.

Sarah Sanders declared that the Trump Administration is telling China "to stop threatening and coercing American carriers and citizens." That's right: China has no authority to push around our citizens and our businesses.

Then Sanders used the "O" and the "C" words, which not even past Republican presidents were willing to do enough. "This is Orwellian nonsense and part of a growing trend by the Chinese Communist Party to impose its political views on American citizens and private companies," Sanders observed.

George Orwell was a visionary in criticizing the communist mindset, as a former Leftist himself. It is doubtful that any press secretary has ever applied Orwell's truths so properly to the communist attempts at mind control, as Sarah Sanders just did.

Meanwhile, the disastrous North American Free Trade Agreement (NAFTA) is up for renegotiation, and Trump's rejection of globalism bodes us well for this issue also. Far from seeking to renew that deal, Trump should look to terminate as much of it as possible.

Economically, NAFTA has been far more harmful to the American economy than the Iran deal was. Trump's criticism of the Iran deal as one-sided applies with greater force to NAFTA.

The flood of illegal drugs into our country, along with illegal aliens, has been facilitated by NAFTA. The loss of manufacturing jobs to south of the border is the result of NAFTA, too.

NAFTA was never properly ratified as a treaty because it never had the necessary support in the Senate. The agreement should be terminated and any replacement should only be considered under the 2/3rds ratification requirement of the Treaty Clause, which is the provision that globalists hate most about the Constitution.

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