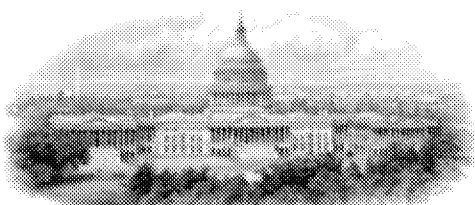


Message

From: Americans for Limited Government [media@limitgov.org]
Sent: 3/12/2018 1:31:01 PM
To: Abboud, Michael [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=b6f5af791a1842f1adcc088cbf9ed3ce-Abboud, Mic]
Subject: Thank you for the crumbs, Mr. President

Ending regulations and tax cuts rebuild American hope



The Power Beat Daily

All The News That Doesn't Fit the Page

March 12, 2018

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Thank you for the crumbs, Mr. President

Ending regulations and tax cuts rebuild American hope.

The GOP still doesn't get President Trump and the American people on trade

One of the principal reasons President Donald Trump won the Electoral College in 2016 was the tough stance he took specifically on global trade issues and their detrimental impacts on the U.S. economy and American workers. Trump's blue collar economic message resonated in the Rust Belt, putting the President over the top in Pennsylvania, Ohio, Michigan and Wisconsin, without which Hillary Clinton would be president today. But can Republican Congressmen take advantage of this fact?

Wilber Ross: Why We Imposed the Metal Tariffs

"President Trump announced Thursday that he is imposing tariffs of 25 percent on steel imports and 10 percent on aluminum imports, with exemptions for Canada and Mexico. The president acted because steel and aluminum imports have helped erode the domestic industry to the point that it threatens national security. Unfair trading practices from countries like China have distorted the global steel and aluminum markets. It is time to halt the damage."

Thank you for the crumbs, Mr. President



By Rick Manning

“Thank you, President Trump, for the crumbs.” That is what the sign that hung over a small electrical business in North Beach, Maryland read.

The message was clear, the tax cuts which former Speaker Nancy Pelosi called “crumbs” are making a positive difference in the small town located on the western shore of the Chesapeake Bay.

And in the first employment report since the tax cuts took effect, private employers reported that they had created an additional 287,000 jobs in February alone. Most significantly, 100,000 of these jobs came in what the Bureau of Labor Statistics calls the “goods producing” sector. The mining, logging and manufacturing are all advancing and growing in the wake of a combination of the federal regulatory boot being lifted off their collective throats.

Why should you care?

Because when America makes things, wealth is created. The self-fulfilling fallacy of the Obama economic policy was that the mature U.S. economy could not grow much beyond inflation. This notion was maintained in spite of the enormous productivity increases brought on by the complete adoption of technology allowing savings and reinvestment in faster, better ways of taking ideas to the marketplace.

Yet, in spite of leading the way in innovating to a new economy, Americans were told by their government over the past few years that they had to lower their expectations to a new normal of stagnant wages, fewer opportunities and less nationwide economic growth.

What these politicians never dared tell the people was that the new normal was the direct result of federal government policies designed to export wealth creation. The politicians and administrative state regulators ignored or flat out lied about the costs of regulations with high minded sounding names which had the intended effect of making investment in resource development in the United States impractical. When combined with the highest corporate tax rate in the developed world, job creators in the United States were hamstrung and the only miracle is that the economy didn't flat line completely.

One year into the Trump Administration businesses report having created more than 2.2 million jobs, including 324,000 new manufacturing jobs. The beginning of America's manufacturing revival is no mistake. And it will accelerate over the next few years due to the changed environment for making things domestically.

While the tax cuts are just beginning to have an impact, Trump's regulatory changes have created new cost certainty for businesses looking to expand or put an additional plant into production, and the February increase in "goods producing" jobs is likely much more heavily driven by these regulatory changes than the just felt tax changes. It is reasonable to expect that the re-shoring of more than a trillion dollars of U.S. company profits that have been stranded overseas due to archaic tax laws will create a debt-free capital infusion equal to about 5percent of the entire economy.

Without the regulatory breathing room, the investment choices would be harder. But continued, expanded regulatory relief, combined with mid-range corporate tax rates, available capital, and states willing to compete for the next generation of manufacturing a perfect storm for a transformative economic surge has been created.

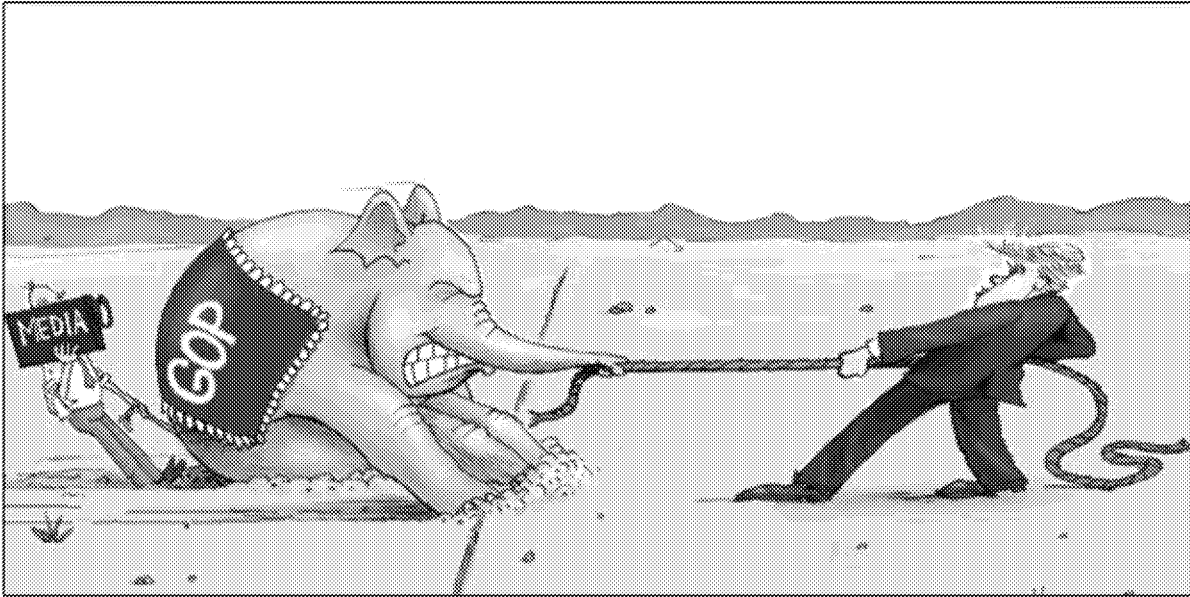
Prior to President Trump, America had 20th Century regulations designed to solve problems from a 19th century economy, strangling the development of her 21st century economic future. As the President's administration continues to clear away the debris of a regulatory regime which encouraged moving manufacturing overseas, the creation of between 40,000 and 50,000 new goods producing jobs a month could seem like small potatoes.

Free enterprise works, and unless the voters screw it up by electing those who view capitalism as the problem, our economy will roar and the American dream will be remembered, renewed and recaptured for our children and grandchildren.

Thank you for the crumbs, Mr. President.

Rick Manning is the President of Americans for Limited Government.

The GOP still doesn't get President Trump and the American people on trade



By Robert Romano

One of the principal reasons President Donald Trump won the Electoral College in 2016 was the tough stance he took specifically on global trade issues and their detrimental impacts on the U.S. economy and American workers.

Trump's blue collar economic message resonated in the Rust Belt, putting the President over the top in Pennsylvania, Ohio, Michigan and Wisconsin, without which Hillary Clinton would be president today.

Meaning no Neil Gorsuch on the Supreme Court. Instead, it's Merrick Garland or some other liberal justice, tipping the balance of power on the nation's highest court.

Clinton would be stacking the lower courts, too.

Also, no Scott Pruitt at the Environmental Protection Agency (EPA).

So, instead of replacing the Obama Clean Power Plan, it would stay in place, including the new and existing power plant regulations.

The U.S. would still be a part of the Paris Climate Accord.

The tax cuts would have never passed.

The Keystone XL and Dakota Access pipelines would not be in the process of finally being built.

The Arctic National Wildlife Refuge would not have been opened for drilling.

The Obamacare individual mandate would not have been repealed.

The U.S. would never have recognized Jerusalem as the capital of Israel.

The U.S. would still be working to join the Trans-Pacific Partnership.

Several Obama midnight regulations would have not been repealed by Congress.

We would have never found out about the abuses of the Foreign Intelligence Surveillance Act (FISA) court by the Obama administration to spy on the opposition party, the Trump campaign, in 2016.

The Justice Department would not be releasing Fast and Furious documents now.

Immigration law would remain unenforced. Deferred Action of Childhood Arrivals (DACA) would not be in the cross hairs.

It is doubtful the U.S. would be on the verge of a breakthrough with North Korea on denuclearization.

The military would be continuing its decline as social welfare priorities took precedence over combat readiness.

It is questionable the GOP would have retained the Senate without Trump on the ballot, running tough on trade.

Trump broke the blue wall, and he did it on an issue that had been a staple of Democratic union politics for a generation: trade.

Exposing the Democrats' continued vulnerability on this issue, following President Trump's announcement of a 25 percent tariff on steel imports and a 10 percent tariff on aluminum, Trump was showered with praise from Democrat representatives in the House.

"Hundreds of thousands of workers and communities, as well as critical infrastructure and defense supply chains in America, depend upon the steel industry. They deserve real enforcement of our laws to hold bad actors accountable, and the Administration is correct in taking the actions outlined today," U.S. Rep. Rosa DeLauro (D-Conn.) declared.

"[W]e are hopeful today's announcement will put an end to a long series of delays to much-needed action against a rigged global steel market. Our steelmaking businesses and workers need relief so they can compete on a fair playing ground," U.S. Rep. Marcy Kaptur (D-Ohio) stated.

In short, the Trump trade agenda today presents the same golden opportunity for Congressional Republicans and the Republican Party more broadly to make the same in-roads with working class voters that Trump did in 2016.

So, what is the GOP establishment up to? They're apparently going out of their way to alert voters that whatever Trump is doing on trade, it has nothing to do with them, effectively telling voters if they're with Trump on trade, they should just vote Democrat.

107 House Republicans fired off a letter, although reasonably calling for tariffs to be specifically tailored toward trade violators, was seized upon by media outlets — who do not have Republican majorities' best interests in mind — to cast a far less-nuanced message.

"107 GOP reps send letter to Trump asking him not to do his tariff plan," CNBC blared.

"More than 100 Republicans sign letter urging Trump to back off on tariffs," CBS News reported.

"107 House Republicans express 'deep concern' about Trump tariffs," The Hill noted.

White House chief economic advisor Gary Cohn quit in a huff over the tariff issue, which one thinks he would have been well-aware of when he took the job.

The Republican actions all but assured that congressional Republicans in Congress would get zero credit for Trump's bold move.

Again, to be fair, House Republicans' message was actually pretty nuanced. As he rightly acknowledged the dumping and transshipping of steel and aluminum by foreign trade, House Speaker Paul Ryan called for "a more surgical approach" to the tariffs. It probably struck the right tone in the GOP's Capitol Hill Club, but it was not the message that was widely received at all.

Instead, the media went out of its way to ignore the actual position House leaders attempted to stake out, and cast Republicans as lockstep opposed to the President. What does that tell you? The mainstream media and the Democrats they're shilling for are scared.

President Trump exposed a deep vulnerability of Democrats on this issue in 2016. One that Republicans should be able to exploit in the coming months and replicate in Congressional races. But to do it, they need to not only stand with President Trump, but with their own constituents, on trade. They need to offer a full-throated defense of his approach.

At the end of the day, Trump opted for a more surgical approach, excepting NAFTA trade partners Canada and Mexico from the steel and aluminum tariffs while renegotiations are ongoing as leverage. Now, they should praise him, and embrace the politics behind it. It's a winner.

In a March 2016 poll by Pat Caddell commissioned by Americans for Limited Government found that a full 68 percent of Republicans supported the use of tariffs under certain circumstances.

72 percent of Republicans believed trade deals gave an unfair advantage to other countries.

71 percent of Republicans believed trade negotiators and corporate interests have allowed U.S. manufacturing to decline, close, or move.

73 percent of Republicans believed we should put American jobs first even if it means paying a tiny bit more for products made in America.

And so forth. As it turned out, Republican voters were even more in favor of protection on trade than Democrats were, although clear majorities of Democrats and Independents stood with Trump on these issues as well in 2016.

In short, the poll predicted not only that Trump would win the Republican nomination, but would go on to win the general election, thanks in no small part to the tough stance he took on trade.

Since then, President Trump obviously has assumed office. In the Politico-Morning Consult poll on the Trump tariffs, once again 65 percent of Republicans support the move, with only 14 percent opposed.

Conversely, 24 percent of Democrats like it and 54 percent are opposed. This is not an unexpected result. Voters of the opposition party tend to disapprove of anything the incumbent party does, even if it's an issue they agree with. Trump did it, so instinctively they oppose it. But if Obama had done it, for example, they would've supported it.

Still, the significant number of Democrats who still agree with the stance and are willing to tell a pollster they approve of it tells you Democrats remain deeply divided on this issue. As for the 54 percent of Democrats who disapprove of it, when they hear their representatives supporting Trump's position on the issue, it's like nails on the chalkboard, creating dissonance between elected Democrats and a majority of their base voters.

In many ways, Democrats in office have the same problem on trade with Trump that they have on DACA and immigration with Trump. While a portion of their constituency truly cares about the issue, a

far greater percent of partisans simply cannot fathom any bargain that provides legitimacy to the Trump presidency.

Democrats have created their own trap after a year of demonizing Trump on everything in every way.

So, how might Republicans take advantage of this issue? By running with Trump on trade issues in 2018. For example, there are 25 House Democrats still in Congress who voted to give former President Barack Obama trade promotion authority in 2015 to get the Trans-Pacific Partnership (TPP). They can be targeted.

Sens. Bill Nelson (D-Fla.), Heidi Heitkamp (D-N.D.) and Claire McCaskill (D-Mo.) — all in states Trump carried in 2016 — voted to advance the TPP. This should be easy to exploit on the campaign trail.

Or, perversely, praise Democrats that have publicly stated support for Trump's position on tariffs. Partisans who simply hate Trump will be disenchanted.

This is not rocket science. Voters want their representatives to put America first. Trade is an issue where about two-thirds of the voters regardless of their political stripe actually agree with President Trump. It's a slam dunk.

Even for skeptics, the answer is that if you like tax cuts and constitutionalist judges on federal courts, Trump's approach to trade is necessary to keep the coalition that elected the President together.

It is time that the Republican Party finally come to terms with the fact that trade is the reason Trump won in 2016. Republican Congressmen should realize that the real reason they even have an opportunity to accomplish the rest of their agenda, is because of the stand Trump took in 2016. They can either learn from it, or miss a rare historic opportunity to overcome the odds and keep their majorities in the upcoming midterms.

Robert Romano is the Vice President of Public Policy at Americans for Limited Government.



ALG Editor's Note: [In the following opinion piece from the Wall Street Journal](#), Secretary of Commerce Wilber Ross details reasoning behind the recent tariff announcements:

WSJ

Why We Imposed the Metal Tariffs

By Wilber Ross

President Trump announced Thursday that he is imposing tariffs of 25 percent on steel imports and 10 percent on aluminum imports, with exemptions for Canada and Mexico. The president acted because steel and aluminum imports have helped erode the domestic industry to the point that it threatens national security. Unfair trading practices from countries like China have distorted the global steel and aluminum markets. It is time to halt the damage.

Since 1998, countless steel mills and aluminum smelters have closed. More than 75,000 steel jobs alone have disappeared. Today the U.S. has only one steel mill that can produce the advanced alloys used in armored-vehicle plating; one aluminum smelter that makes the high-grade aluminum needed for defense aerospace applications; and one steel mill that makes the materials needed for infrastructure like electrical transformers.

These tariffs aim to reverse this sorry state of affairs. Companies that produce steel and aluminum have said these tariffs will allow them to reopen mills, expand operations, attract new workers, and maintain critical steel- and aluminum-making skills.

It is true that higher steel and aluminum costs could mean price increases for American consumers. But they should be small for individuals and families. Monthly payments for a typical mass-market car might increase by \$4 because of the tariff, according to Commerce Department estimates. Is that a fair price to pay for protecting national security? We think so.

Will it start a trade war? It shouldn't. The U.S. isn't the only country that has expressed concern about the types of unfair trade practices that are prevalent in the steel and aluminum industries. Countries like China have provided massive subsidies to their companies, and this is harming markets world-wide.

The U.S. has tried to work with others to address these problems. Unfortunately, mechanisms like the Global Steel Forum have fallen woefully short of their aims, with other countries failing to adhere to even basic transparency commitments.

The president will not stand idle while unfair practices erode America's steel and aluminum industries and threaten national security. Other countries understand that.

Further escalating this issue is counterproductive. Rather, countries should take responsibility for their unfair practices and work together to address the underlying problems facing these industries. The U.S. is ready and willing to engage in such efforts.

The president has the authority to adjust or exempt countries from these tariffs at any time based on circumstances and national security considerations. That is why he is exempting Canada and Mexico. We expect continuing negotiations to create more national-security benefits than the tariffs.

Meanwhile, we will not hesitate to continue standing up for American families, American businesses and American workers.

Mr. Ross is U.S. secretary of commerce.



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