AWPA Annual Meeting

The November 2016 Elections – Congress
House of Representatives

- 115th Congress
  - 241 Republicans
  - 194 Democrats
- Democrats gained 6 seats
  - Needed 30 to flip the chamber
House of Representatives

- **House Leadership - GOP**
  - Speaker Paul Ryan (R-WI)
  - Majority Leader Kevin McCarthy (R-CA)
  - Majority Whip Steve Scalise (R-LA)

- **House Leadership – Democrats**
  - Minority Leader Nancy Pelosi (D-CA)
  - Democratic Whip Steny Hoyer (D-MD)
House of Representatives

- Ways and Means Leadership
  - Chairman Kevin Brady (R-TX)
  - Ranking Member Richard Neal (D-MA)
- Trade Subcommittee Leadership
  - Chairman Dave Reichert (R-WA)
  - Ranking Member Bill Pascrell (D-NJ)
Senate

- 115th Congress
  - 52 Republicans
  - 48 Democrats

- Democrats gained 2 seats
  - Illinois Tammy Duckworth
  - New Hampshire Maggie Hassan
  - Needed net four to take control
Senate

- **Senate Leadership - GOP**
  - Majority Leader Mitch McConnell (R-KY)
  - Majority Whip John Cornyn (R-TX)

- **House Leadership – Democrats**
  - Minority Leader Chuck Schumer (D-NY)
  - Minority Whip Richard Durbin (D-IL)
The November 2016 Elections – The White House
The White House

- Donald Trump elected President
  - 306 electoral votes for Obama
  - 232 for Hillary Clinton
- Filed reelection papers for 2020
- Trade Platform
  - Tariffs/punish companies moving overseas
  - Renegotiating NAFTA
  - Label China currency manipulator
  - Bilateral trade agreements
The White House

- Tariffs/Punishing Companies
  - Talked about 35% tax on corporations moving overseas
  - 45% tariff on goods from China
  - Will be an emphasis on rules of origin
  - Key words for Administration
    - Fairness
    - Openness
    - Enforcement
The White House

• NAFTA
  ◦ Clear as mud
  ◦ Trade deficit biggest problem for Trump
  ◦ Depending upon scope of “tweaks” Congress to be “consulted” or have to vote
  ◦ TPA process to be followed:
    • 90-consultation period (Mexico started)
    • 30 days before Administration spell out objectives
    • Nothing begins until trade team in place
The White House

- China Currency Manipulator
  - Included in “Contract with Voters”
    - Direct Treasury Secretary to label
  - To be done on Day One
    - Might be waiting for trade team
The White House

- Bilateral Trade Agreements
  - Japan, Britain
  - EO Pulling out of TPP
  - Agree with GOP Congress on Priorities
    - Fair trade
    - Create jobs in US
    - Keep jobs in US
    - Sell US products across the globe
The White House Trade Team

- USTR Robert Lighthizer
  - Deputy USTR during Reagan Administration
  - Trade remedy litigator at Skadden, Arps
  - Chief of Staff, Senate Finance Committee
  - Supports protectionist regulations on trade
  - Advocates for tougher policies on China
The White House Trade Team

- Commerce Secretary Wilbur Ross
  - Billionaire investor
  - Critic of free trade deals
  - Warns against “China bashing”
  - Will be Administration policy leader on renegotiating trade deals
The White House Trade Team

- Peter Navarro, Director, White House National Trade Council
  - Professor of Economics at Univ. of CA
  - Only credentialed economist as close adviser
  - Outspoken critic of China
  - Advocates for increased trade restrictions
  - Believes US harmed by VATs; should have our own tariffs