

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