

President Trump arrived at the Group of 7 summit meeting in Canada on Friday amid an expression of "concern and disappointment" from the six other nations' finance ministers over United States trade policies. Conspicuously absent has been any acknowledgment by these ministers of the trade practices that contribute to America's more than \$500 billion annual global trade deficit in goods and services.

NO EVIDENCE  
THAT FOREIGN  
TRADE PRACTICES  
CAUSE US DEFICITS!

Consider Germany, with which the United States had a trade deficit in goods of about \$64 billion in 2017. While the United States tariff on cars made in Germany and elsewhere in the European Union is 2.5 percent, the European Union tariff is four times as high, at 10 percent. No wonder Germany sells us three cars for every one we export to Germany.

AND SELLS CARS  
COMPETITIVELY  
EVERYWHERE IN  
THE WORLD!

Even when Germany's automakers build facilities in the United States, these so-called factories are more like assembly plants. S.U.V.s in the BMW X series that are assembled in the United States actually contain only 25 percent to 35 percent American-built content — the high-value engines and transmissions are manufactured in Germany and Austria.

BECAUSE THEY ARE MORE  
COMPETITIVE!

Even as Germany runs huge trade surpluses with the United States, it is not on track to meet its financial commitment to the NATO alliance, to spend at least 2 percent of its gross domestic product on defense by 2024. Despite being Europe's wealthiest country, Germany spends a mere 1.24 percent of its G.D.P. on defense.

AND SHOULD BE  
CONDUCTING A MORE  
EXPANSIONARY FISCAL POLICY

First, trade must be not only free but also fair and reciprocal. American tariffs are among the lowest in the world. Our generosity and free market good will has only led to a huge trade deficit and the transfer of wealth abroad.

AGAIN, NO  
RELATIONSHIP BETWEEN  
TRADE DEFICITS AND  
TRADE BARRIERS

Second, President Trump reserves the right to defend those industries critical to our own national security. To do this, the United States has imposed tariffs on aluminum and steel imports. While critics may question how these metal tariffs can be imposed in the name of national security on allies and neighbors like Canada, they miss the fundamental point: These tariffs are not aimed at any one country. They are a defensive measure to ensure the domestic viability of two of the most important industries necessary for United States military and civilian production at times of crisis so that the United States can defend itself as well as its allies.

IT IS LUDICROUS TO  
BLOCK IMPORTS FROM  
CLOSE ALLIES ON  
NATIONAL SECURITY  
GROUNDS

Neither of these goals of the Trump presidency should stand in the way of our longstanding and productive strategic alliances and economic relationships with members of the Group of 7. There will continue to be a strong need to cooperate on issues of mutual interest, including defending democracy and freedom against authoritarianism, and protecting our citizens from terrorism. This also means we should find common ground on fair and reciprocal trade in ways that favor market economics, lower trade barriers and are mutually beneficial to workers across the Group of 7 nations.

THIS APPROACH IS  
DYNAMITING THE  
EXISTING GROUND  
RATHER THAN FINDING  
A NEW ONE!!!



America's trade deficit in goods with Japan is higher than with Germany: \$70 billion in 2017. For every one car America exports to Japan, Japan sends us over 100. High non-tariff barriers, including a complex regulatory system, make it difficult to sell American cars in Japan. Meanwhile, Japan slaps tariffs on a wide range of American agricultural products — as much as 32 percent on oranges, 50 percent on beef, 40 percent on various cheeses and 58 percent on wine.

THEY  
SHOULD  
OPEN UP

BECAUSE THEY ARE  
HIGHLY COMPETITIVE

As for Canada, which has been most strident in its criticism of the United States, it has for decades dumped its lumber into the United States, threatening lumber industry jobs in Alaska, Oregon and other states. It erects high non-tariff barriers that harm our wheat and barley growers and place United States beer and spirits exporters at a disadvantage. Wisconsin dairy farmers know all too well that Canada unfairly manipulates its dairy prices to protect its dairy farmers, hurting United States dairy exports to Canada and other markets around the world.

US ALSO RESTRICTS  
DAIRY, SUGAR,  
OTHER AG IMPORTS

It's time for our major trading partners — from strategic competitors like China to key members of the Group of 7 — to realize that the era of American complacency in the international marketplace is over. Going forward, President Trump will pursue two goals on behalf of the American nation and people.

President Trump welcomes continuing dialogue and cooperation with Group of 7 members and our other allies and trading partners. But the days of accepting unfair trade practices are over.