

Administration of Donald J. Trump, 2019

Remarks in a Meeting With Republican Members of Congress on the United States Reciprocal Trade Act and an Exchange With Reporters

January 24, 2019

The President. Another day in paradise, right? [*Laughter*] A good day, a good day.

This is the United States Reciprocal Trade Act that this room is very enthused about, that a lot of people are very enthused about. We're taken advantage of by many, many countries all over the world. They charge us tariffs and taxes, the likes of which nobody has any understanding, they're so high and so unfair.

They also have barriers where we can't go in. They have trade barriers that make it impossible for us to sell our farm products and our other products or cars in those places.

So this is United States Reciprocal Trade Act, and it's really a preliminary meeting. It's a little bit of an early meeting. We're going to be talking about it. We have tremendous support, and we're going to find out what happens.

It should have been done many years ago, as many things should have been done many years ago. Frankly, the wall should have been built many years ago; we wouldn't have the problems that we have today.

So I'm pleased to welcome Republican Members of Congress to the White House. I especially want to thank Congressman Sean Duffy for sponsoring one of the top legislative priorities, to my way of thinking, that you can have. It's called "fairness," really.

The United States Reciprocal Trade Act, this legislation will help finally to give our workers a fair and level playing field against other countries. Countries are taking advantage of us, whether they think we're very nice or not so smart. They've been doing it for many, many years, and we want to end it. Many of these are friends. Many of these are allies. But sometimes, allies take advantage of us even more so than our nonallies.

All over the world, foreign countries put massive tariffs on our products while we put very few, if any, on theirs. So we then wonder why we're not doing the business we should be doing. And we wonder, maybe most importantly, why we had, last year, over an \$800 trillion trade deficit—\$800 billion, in terms of a trade deficit. So when you have a number like \$800 billion, you say to yourself, "Somebody made a lot of bad deals." And that's happened over a long period of time.

The Reciprocal Trade Act will give us the tools to solve this problem once and for all. In addition to the various trade deals that we're working on with Mexico, Canada, China—South Korea, we just finished. It's a good deal. Made it a good deal. It was a terrible deal, and we made it into a good deal. We'll get the trade way down, and we'll get the deficits way down.

Under the U.S. Reciprocal Trade Act, whatever the tariffs for a foreign country is, we place the same tariff on us. So if somebody is charging—and I brought a chart. If somebody is charging us a hundred-percent tariff, and we're charging them nothing, we're entitled to charge the same tariff as them.

Now, what's going to happen, I think, from a practical standpoint, is they won't be charging us tariffs anymore. We'll see. Or we'll charge them a lot. It's a tremendous amount of money. It's a tremendous problem for our country.

The U.S. Reciprocal Trade Act will be an incredible tool to bring foreign countries to the negotiating table and to get them to lower their tariffs on our products and also to get rid of their trade barriers, making it really impossible for us to do business.

India, as an example, has a 150-percent—hard to believe—tariff on whiskey. They make whiskey, and they sell it to us. We charge them zero. We sell it to them; they charge us 150 percent. So I would say, other than that, it's a very fair deal. Okay? *[Laughter]* That's the least of it. We have far worse than that.

The EU charges a 67-percent tariff on pork, and we charge them almost nothing. And they make it very hard for us to sell pork in the EU. For bulldozers, Malaysia charges us, as an example, 20 percent, and Indonesia charges us a lot. We charge them all nothing. We charge them nothing. Very unfair to our companies. Very unfair to our workers.

So if countries refuse to lower their barriers, then we will simply place a matching tariff on their product. It's very simple. It's the simplest thing that you can do. The result will be, more countries will remove their barriers and open their markets to American exports, to American farmers, to American manufacturers.

I'll be talking a lot about reciprocal trade over the next 6 years. Hopefully, we'll have it done in 2 years or less. And we will see deficits down to a level that would really—you know, we talk about "Make America Great Again"; we have to do these things to make America great again. Because we can't lose almost \$800 billion on trade, like has been done for many years. And it's been numbers—they varied anywhere from \$300 billion to over \$800 billion. Can't do that.

And what we're doing with China, I think, will have a tremendous impact, if you look at the numbers that we're talking about. We'll see how that all comes out. But, as you know, we're charging tremendous tariffs now, and they go up, as of March 1, very substantially. I think China would like to make a deal. We'd like to make a deal. I like exactly where we are right now, to be honest with you. We're very happy. We have billions of dollars coming into our Treasury—billions—from China. We never had 10 cents coming into our Treasury; now we have billions coming in.

But if we can make a deal that'll be great—on intellectual property and theft and all of the other things we're talking about, in addition to taxes themselves.

So I'll be talking a lot about this over the next period of time, and I want to just thank the incredible people, all friends of mine. They are—this is a very early meeting. This is the beginning of something, I think, that's going to be very important for our country. And I look forward to discussing it.

They did a chart, right here, where, as an example, these are—and these are not big abuses. You look at apples: Japan, foreign tariff, 17 percent; the United States, nothing. We get nothing; they get 17. Same apple. Actually, ours are better, you want to know the truth. *[Laughter]* So that makes it even worse.

I don't want to cover you up. You're such a good-looking guy.

Representative Robert B. Aderholt. No, you're good. You're good.

The President. Robert, he's a handsome man. I don't want to cover him up.

Autos, China—you have a 15-percent tariff, and the U.S. has 2.5. So when you sell—and, by the way, we got the autos down from 40 in China. I got them down to 15. But it's still 15 percent versus 2.5 percent. But, if you know, it was 40 and 25 percent. We got them down to 15, but that's really not good enough because we have 15 versus 2.5 percent. And we don't even get the 2.5 percent. There are ways that they can eliminate that.

French fries, one of our favorite meals. [*Laughter*] French fries from Thailand, 30 percent; we get 8 percent. You look at the numbers. Go down—look at motorcycles, as an example. India—50 percent. It was 100 percent. I got them down to 50 percent just by talking for about 2 minutes. But it's still 50 percent versus 2.4 percent. Again, other than that, it's a very fair deal. [*Laughter*]

Pork, EU, pretty much zero. And it's 67 percent. So you look at that, and something like whiskey from India and other things from India—India is a very high tariff. They charge us a lot of tariffs. But you look at whiskey. So India gets 150 percent, and we get nothing.

I will tell you that those are just a few of the products. It's actually much worse than that, as bad as that sounds. And all we're saying: If you're going to charge us 150 percent, we're going to charge you 150 percent. And what will happen, in many cases, is we'll both charge each other nothing, or we'll get 150 percent. That's okay too.

I spoke to a couple Senators about this that aren't really into this stuff, and they said, "Hey, sounds fair to me." [*Laughter*] And a lot of people think it's fair.

We have to get foreign countries to respect us again, both militarily and on trade. And I tell you, we have come a long way in 2 years. It's a whole different ballgame. When you look at what's happened, it's a whole different ballgame.

So this is the Reciprocal Trade Act, and I think that it's something that's going to—you're going to hear a lot about it. And you know, hard to believe—you'll have people that are against it. You'll have people say that we don't mind if a country charges us 50 percent, 100 percent, 250 percent. We have some cases, like with butter—Sean was telling me—in Wisconsin. Do you want to tell that story? The difference?

Representative Sean P. Duffy. Yes, so Europe charges us 68-percent tariffs on our Wisconsin butter, and we charge 2.8 percent on European butter. It's totally unfair. It's not right.

The President. Mister great hockey player, congratulations on your victory. We worked hard, right?

Representative Peter Stauber. Thank you, Mr. President. Yes.

The President. That was a great job. Great job. Thank you.

Rep. Stauber. We appreciate your support.

The President. Good, Pete. Thank you very much. Congratulations.

So thank you all very much. I appreciate it. Thank you.

Q. Mr. President, will you accept—will you agree to a CR?

Federal Government Shutdown/Border Security

Q. Mr. President, are you open to this idea of the temporary spending measure to reopen the Government, allow Federal workers to——

The President. Well, one of the ideas suggested is they open it, they pay a—sort of a prorated downpayment for the wall, which I think people agree that you need. You need the wall. In fact, I see a lot of the Democrats are all—almost all of them are breaking and saying: "Look, walls are good. Walls are good." Big difference from what you had 2 or 3 weeks ago.

And the vote—we had the vote on our bill, which we won 50 to 47. That was our bill. But we got one Democrat. It was 50 to 47. And we need—as you know, we have to get 60. We don't have 60 votes, so we need Democrat support. We didn't get Democrat support, other than from a—actually, a wonderful man, as you know—Senator Manchin. And—who's doing the right thing for his people. I mean, he's doing the right thing for West Virginia, frankly.

And the other bill, it was 52-44. And that included a lot of hurricane relief for a lot of different States. So it's sort of not something—some of them really voted for the hurricane relief, which they felt they needed. That was 52-44. But you need 60. So that didn't go anywhere.

So we knew they both were not going to go anywhere, we thought. And now Mitch is negotiating with Chuck Schumer, and we'll see what happens. I think they just left a meeting. They just had a meeting. I think they're going to have to see their people. But they just left.

So we had two bills. I think we did very well. The Republicans held. Except for two, the Republicans held. Two were not there. They couldn't—or they weren't able to be there, so there were two nonvotes. But even with two nonvotes, I think they would have been good votes for us. It's 50 to 47; we won. But we need 60 votes, because of the 60-vote rule.

And so I just really want to thank the Republicans for holding. Again, on the other one, that was the opening up. That's 52-44, but you need 60 votes. So it's a long way short. And a lot of that—a lot of those votes were based on the fact that there was hurricane relief for certain States.

Q. Mr. President, but do you support——

Federal Government Shutdown/Border Security

Q. But would you be in favor of temporary spending without money for the wall, which is just to reopen the Government——

The President. Well, I wouldn't be happy with it. I wouldn't be happy. But we have a lot of alternatives. Honestly, we have—everybody—look, for the most part, people agree—when I say "everybody," I would say almost everybody agree we have to have border security. We have to have a wall in order to have border security.

You cannot have border security without a wall. I mean, we can play games, and we can talk about technology. We can talk about drones flying around. You know, right now, formed, is an 8,000-person caravan. And the caravan is heading our way. Congratulations. We have another one. We stopped the first one. We stopped the second one. I wouldn't say that Tijuana is too happy, but they're happily living in Tijuana right now. And a lot of them have gone back. But we stopped them, but it's very tough.

And if we didn't have a wall in those areas, it would have been very hard to stop them. We have the military, and we have the Border Patrol; they've done an incredible job. And ICE has

done an incredible job all over the country, frankly. We've removed thousands of MS-13 and others out of our country.

But if we had a wall, we wouldn't have that problem. It would be great.

So we have a lot of alternatives, but I'm just honored that almost all of the Republicans voted for our bill. Our bill is the bill that we were really focused on. But we had almost all of the Republicans, so the end result was 50 to 47. The Democrats lost one that came over to our side.

So they pretty much held, and we held. And, again, we were missing two Republicans. They couldn't vote. They were not here.

Q. Mr. President, will you support the results——

Federal Government Shutdown/Border Security

Q. Do you get the sense that there's enough movement to end the shutdown soon? Or are we going to see this drag out for a while?

The President. Well, I have to find out. After this meeting, we'll find out. But right now Mitch McConnell is meeting with Chuck Schumer and to see if—they'll have to see what happens. They're meeting to see if they can work out something, maybe on a temporary basis where we start.

But I have—you know, we have a lot of alternatives. There are a lot of people that want this to happen.

Q. And have you talked with——

Q. Mr. President——

The President. I'll tell you who wants this to happen: The military wants this to happen, because this is a virtual invasion of our country: of drugs, of human traffickers, of so many different things, of criminals. It's an invasion of our country. And the military wants this to happen, and the Border Patrol wants this to happen.

And by the way, Border Patrol said all of the drones flying up in the air—having a lot of fun, flying drones all over the place—they don't mean a thing when they look down, and they see thousands of people rushing our border. The only thing that works is a strong barrier or wall.

Speaker of the House of Representatives Nancy Pelosi

Q. Have you talked to Nancy Pelosi? Or do you plan to talk to her soon? Or is there any——

The President. I have not. I haven't spoken to Nancy Pelosi. No. No. But I'm here, you know? I haven't left except for a beautiful evening in Iraq. [*Laughter*] I've been here for a long time.

Secretary of Commerce Wilbur L. Ross, Jr./Federal Employees

Q. Mr. President, did you see Wilbur Ross said that he didn't understand why Federal workers would need help getting food? Can you understand why?

The President. No, I haven't heard the statement, but I do understand that perhaps he should have said it differently. Local people know who they are when they go for groceries and

everything else. And I think what Wilbur was probably trying to say is that they will work along. I know banks are working along. Of—if you have mortgages, the mortgagees—the mortgage—the folks collecting the interest and all of those things, they work along.

And that's what happens in time like this. They know the people. They've been dealing with them for years. And they work along. The grocery store—and I think that's probably what Wilbur Ross meant, but I haven't seen his statement, no. But he's done a great job, I will tell you that.

Yes.

Venezuela

Q. Sir, on Venezuela, I just want to know: Aren't you worried to leave the American diplomats behind?

The President. Well, we're looking at Venezuela. It's a very sad situation. That was the richest state in all of that area. That's a big, beautiful area and by far the richest. And now it's one of the poorest places in the world. That's what socialism gets you, when they want to raise your taxes to 70 percent.

You know, it's interesting, I've been watching our opponents—our future opponents—talking about 70 percent. Number one, they can't do it for 70 percent. It's got to be probably twice that number. But maybe more importantly, what happens is, you really have to study and take a look at what's happened to Venezuela.

Rep. Duffy. That's right.

The President. It is a very, very sad situation. So we have our eye very closely on Venezuela. Very closely.

Federal Government Shutdown

Q. Mr. President, if Mitch McConnell and Chuck Schumer can come to some sort of agreement, will you support the results of those negotiations?

The President. Well, depends what the agreement is. I mean, yes—but if they come to a reasonable agreement, I would support it. Yes.

Border Security

Q. Even if it has no wall money? Or does it have to have wall money?

The President. I only—look, look—I have other alternatives, if I have to. And I'll use those alternatives if I have to.

Q. You mean emergency——

The President. But I want to go through the system. We have to have a wall in this country. We have criminals pouring into our country.

And I'm not talking about the southern border. They don't stay there. They go through, and they permeate all throughout the country, including places like Wisconsin, lot of different places. And that's the problem.

I say that we would cut our crime—you know, we're very well on crime rate, compared to past years and past administrations, but I think our crime rate would go way down. And I know our drug rates—our drug—what's happening is, the drugs are pouring in. And yes, they come

through the ports of entry, but the big trucks come through areas where you don't have a wall and you have wide-open spaces.

We have to have the wall. You'd stop drugs. You'd stop human trafficking. I mean, human trafficking—where they tie up women and they put duct tape on their mouths, and they put them in the back seat of a car or in a van. They don't come through a port of entry, because the people at the port of entry are going to see that. That's not like hiding drugs in the engine or in the hubcaps, and they have incredible, ingenious ideas. I mean, frankly, I have to say, some of these people are so genius, if they were ever legit, they'd become very rich people.

But what they do is, they go through the ports of entry with small stuff, but the big stuff comes through areas where you have nobody watching. I mean, you have hundreds of miles of open space, and they go out there, and they're loaded up with drugs, or they have women in the back seat of the cars with duct tape all over the place. It's a disgrace.

And you don't catch them. They make a—you don't even know the difference between Mexico and the United States. They make a left turn after they go out 20 miles, 40 miles—5 miles, in some cases, and less. They make a left turn; they're in the United States. And then, they do whatever they have to do.

You need the wall. And we can all play games, and we can all talk about technology. I know more about technology than anybody. But you don't have the wall, the technology doesn't work.

First of all, the wall is based on—I mean, it's all based—any technology works only with the wall. It's not going to work otherwise.

Rep. Duffy. That's right.

The President. You need the wall. In fact, a lot of the technology is put on top of the wall. That's how you see it—the cameras and everything else. I mean, they literally put the technology—they fasten it to the wall.

Then, you have drone technology. And that's great, in terms of—what are you going to do? You going to follow the people? First of all, once they step into the country, you know what happens, right? You know what they do. It's called—what do they call it? Do you know?

Q. Tell me.

The President. They put one foot in our country, right? And we've got them. That's it. So the drones don't help us. We have to keep it out. We have no choice, but to have a wall or a barrier. And if we don't have that, it's just not going to work. So it's very important to me.

All right. One more question.

Federal Employees/Border Security

Q. Mr. President, what's your message to Federal workers who are missing another paycheck this week and struggling?

The President. I love them. I respect them. I really appreciate the great job they're doing. They—you know, many of those people that are not getting paid are totally in favor of what we're doing, because they know the future of this country is dependent on having a strong border, especially a strong southern border, because we have tremendous violence and crime coming through that border. We have tremendous drugs. We have the human trafficking. We

have MS-13 and gangs pouring through those borders. And if we don't strengthen those borders, we're going to have a big problem in the future.

And one of the people I blame is myself, because the economy is so strong right now—stronger than ever before. Today—today, right now—we have more people working in the United States than has ever worked in this country before.

Rep. Duffy. That's right.

The President. That's a great compliment. So I blame myself, okay?

But the fact is, people come up because our country is doing so well, and they want to break through our borders. The fact is, we want them to come up. We have a big—we took in more people last year, legally, than we have in a long time, because we need them because we have—a lot of companies are coming into our country. So we need people coming in.

I want people to come in, but they have to come in legally, and they have to come in through merit. They have to be able to help companies. And if they don't help companies and if they don't help our country, we can't do that, folks. We just can't do that. All right?

State of the Union Address/Federal Government Shutdown

Q. Is the State of the Union—with the State of the Union, why did you decide to agree to Nancy Pelosi that—

The President. Well, it's really her choice. I mean, I would have done it in a different location, but I think that would be very disrespectful to the State of the Union to pick some other place. I could have done it. I could have gone to a big auditorium and gotten 25,000 people in 1 day—and you've been there many times—but I think that would be very disrespectful to the State of the Union.

So what she said, I thought, was actually reasonable: We'll have the State of the Union when the shutdown is over.

Q. And when do you think that's going to be?

The President. That I can't tell you. That I can't tell you. But we have a lot of alternatives. But we need border security.

Okay, thank you very much, everybody. Thank you.

NOTE: The President spoke at 4:44 p.m. in the Cabinet Room at the White House.

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