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The U.S. has long viewed imports, wrongly, as a threat.

Bad Trade Policy Long Predates Trump

By Colin Grabow

Donald Trump has imposed tariffs on a whim and trashed past trade agreements, with rhetoric steeped in economic nationalism and zero-sum thinking. He thinks that trade consists not of mutual benefits but of a winner and a loser.

Yet for all its volatility, Mr. Trump's trade agenda isn't that much of a departure from past policy. For decades, American trade policy has been animated by mercantilist thinking that treats imports with suspicion, exports as trade's primary reward, and the trade deficit as a scorecard.

The American approach to trade liberalization has long hinged on reciprocity. Instead of eliminating trade barriers to benefit U.S. consumers and firms, Washington has treated trade barriers as bargaining chips to be negotiated away only if foreign governments respond in kind. Imports' many benefits—lower prices, greater choice, improved productivity—have been played down or ignored.

In some ways, this approach is understandable. Opening U.S. markets to foreign competition creates resistance from affected industries. To overcome this, policymakers highlight new export opportunities

to other business sectors. But in doing so they reinforce the idea that exports are the primary objective of trade and imports are a price to be paid—a reversal of reality.

While Mr. Trump's trade policies don't appear to be informed by careful study—he operates more on vibes than on Adam Smith—he has embraced this underlying logic and pushed it further. If reducing import barriers in exchange for similar actions by others is good, then why not take it to the next level—raising import barriers and demanding even greater market access from other countries? Mr. Trump's trade policy isn't a repudiation of past approaches but their culmination.

The U.S. needs a new approach. It should remove its trade barriers not because other countries do the same but because doing so is in the national interest. Imports reduce costs, boost competition and expand consumer choice. These contributions will be reflected in economic prosperity.

It is impossible to square with reality Mr. Trump's complaints that the U.S. is plagued by bad trade deals that left the U.S. economy vulnerable. American household and personal incomes are at record highs, U.S. manufacturing is robust, and the unemployment rate has been relatively low. The Econo--mist didn't call the American economy the "envy of the world" last year for nothing.

Perhaps most important, Mr. Trump's mercantilism comes at the expense of individual liberty. Barring compelling national-security concerns, Americans should be free to buy goods and services from whomever they choose. Trade isn't a favor we grant to other nations, but a means of improving our lives and a vital expression of our freedom.

America has long suffered under warped bipartisan trade policy that prioritizes exports over imports and reciprocal deals over unilateral liberalization. Mr. Trump deserves criticism for his erratic and economically destructive trade decisions, but the intellectual groundwork for his extreme approach was laid by years of bad policy.

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